FBIS DAILY REPORT

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ALFONSIN MEETS U.S. CONGRESSMEN ON FINANCE

PY092157 Buenos Aires BUENOS AIRES HERALD in English 9 Jan 86 p 7

[Text] (NA-DYN) -- President Raul Alfonsin met yesterday with twelve members from the Banking Committe of the U.S House of Representatives and stressed the government considers the Baker Plan is "just a step" towards reaching solutions to the foreign debt problem.

During the meeting, the U.S. group, headed by Democrat John LaFalce, reportedly praised the Austral Plan as an efficient measure which will allow for "internal socio-economic justice as well as economic growth." Speaking to reporters after the meeting, LaFalce said the congressmen came "to see how we can help Argentines build a greater future" and affirmed the Baker Plan is intended to "help create political and socio-economic stability in Third World countries." The congressmen also congratulated Alfonsin on "the way (the government) strives to honour commitments" related to the foreign debt, LaFalce said.

The delegation earlier met with Foreign Minister Dante Caputo and discussed foreign trade, protectionist measures and the foreign debt, as well as the situation in Central America and Argentine nuclear policy.

Meanwhile a group of about 50 U.S. businessmen, government officials and advisors are expected within the next days, including Chase Manhattan Bank president David Rockefeller, who arrives on Saturday and Senator Edward Kennedy who arrives from Brazil on Sunday.

CGT-GOVERNMENT TALKS FAIL; STRIKES THREATENED

PY092327 Buenos Aires BUENOS AIRES HERALD in English 9 Jan 86 p 7

[Except] (NA-DYN) -- CGT-Government talks broke down yesterday when the CGT declared a "full stop" (punto final) to "this dialogue comedy" with the government, describing the administration's anti-inflationary policy as "a failure." In a statement the CGT said it would use "all the legal means" at its disposal to fight against that programme, clarifying that it had no intention to "overthrow the government" but rather to "promote a change we believe vital for the future of the country." Another paragraph reads: "Six months have been more than enough to show the failure of economic adjustment mechanisms which have done nothing more than intensify misery, paralyze economic productivity, cover-up inflation and consolidate dependency."

The statement continues: "We will not allow the country to be forever strapped to paying interests on an alleged foreign debt, to be forever tied to international speculators who continue carrying off the fruit of our efforts and sacrifice. There will be no solutions," it warns, "as long as tne prevailing mentality in the economic ministry dictatorially decrees the impoverishment of workers in order to kowtow to IMF mandates."

Though the CGT all but settled on January 24 for a 24-hour general strike, the labour ministry said the government would await an official annunciation of the strike before determining whether or not to declare it illegal, and several labour fronts began warming up for the nationwide protest.

In a preparatory meeting yesterday, the CGT directive council agreed on waging a nationwide day-long strike on January 24, but said the exact date and duration would be up to a resolution of the secretaries-general plenary to be held tomorrow.

But the protest measures adopted Friday "will carry on," [CGT Secretary General Saul] Ubaldini said, and not be limited to wake hike demands. "The CGT means to get the economy rolling," he added, "wants a policy aimed at full employment, collective bargaining contracts and special consideration for retired workers."

GUGLIELMINETTI, KELLY LEVEL ACCUSATIONS

PY092144 Buenos Aires BUENOS AIRES HERALD in English 9 Jan 86 p 7

[Text] (NA-DYN) -- Judge Juan Carlos Cardinali yesterday granted former presidential bodyguard Raul Guglielminetti permission to leave the country "without any restrictions," giving way to the suspected criminal's request to visit his family in Spain where he will now not be required to present himself to the Spanish courts. The permission extends until the end of the month, and leaves Guglielminetti free to travel without custody. He is expected back in Argentina early February.

"I might leave tomorrow night (for today)", Guglielminetti said after two Spanish court officials arrived yesterday and visited him at home. "I guess if I didn't need a passport to get out of Spain or into Argentina, I don't need one now either," he explained.

In an interview published yesterday by AMBITO FINANCIERO, Guglielminetti again confirmed he is willing to return to Argentina "until the courts verify (evidence) over and over and satisfy the government's need for circus play."

Speaking on Radio del Mundo, he said: "For three days now I have certain knowledge of the person who organized all this," adding that this person, who he claims is behind his extradition from Spain to face charges in connection with the murder of businessman Emilio Naum, works "in a building that deals with relations with the rest of the world." Although Guglielminetti declined to specify whether he referred to the Foreign Ministry, he made clear that Ministry head Dante Caputo is not involved.

While admitting the mystery person "enjoys prestige in the government," Guglielminetti said he "has nothing to do with the Interior Ministry or the Armed Forces," but promised that when he leaves the country it will be clear who that person is.

At the same time rumours hovered around the Paraguayan Embassy last night where an unusually strong security guard led to unconfirmed speculation Guglielminetti might be about to ask for political asylum there.

In a related development, former Nationalist leader Guillermo Patricio Kelly met yesterday with Interior Minister Antonio Troccoli and reportedly discussed Guglielminetti's situation as well as problems concerning democracy and ways to defend it. Speaking later with reporters Kelly charged "Argentine democracy is still walking on the rubble of the military regime, and in the rubble there are always rats like Guglielminetti." Kelly also severely criticized Cardinali's decision to free Guglielminetti and warned of "the difficulties which could arise" from this measure.

Meanwhile Judge Martin Irurzun yesterday urged the Foreign Ministry to speed arrangements for a new extradition of Guglielminetti, in connection with the case investigating the 1977 assault of an employee at the Viacon Exchange Agency in the city.

GOVERNMENT PLANS MEASURES TO COUNTER TIN CRISIS

PY091544 La Paz Cadena Panamericana in Spanish 0000 GMT 9 Jan 86

[Text] The government will adopt measures next week to counter the international tin crisis. A high-level commission of ministers, Vice President Julio Garrett, members of the mining committees of the Senate and the Chamber of Deputies, and representatives of organizations linked with the mining sector met this morning with President Victor Paz Estenssoro. After the meeting, which was held at Government Palace and ended after 1200, Vice President Julio Garrett said.

[Begin Garrett recording] [words indistinct] very brief. We made a serious and responsible analysis of all the problems stemming from the tin price slump and its consequences for the mining sector. I believe the government will adopt some measures over the next few weeks, in accordance with the conclusions of this analysis, to solve the serious situation caused by the drop in tin prices. [end recording]

Mining Minister Sinforoso Cabrera said the meeting dealt with the international tin crisis.

[Begin Cabrera recording] This was a routine meeting called by the president. The council of representatives of the major mining sectors meets on Wednesday to analyze the situation in the mines and to adopt criteria for any adjustments. [passage indistinct] (?This) is all we did this morning. [end recording]

COB SEES ARMED STRUGGLE AS 'CORRECT ALTERNATIVE'

PY100141 La Paz Cadena Panamericana in Spanish 0000 GMT 10 Jan 86

[Text] The Bolivian Workers Confederation called a press conference this afternoon to report the results of the miners' meetings. The miners, as anticipated, rejected the government's economic plan. In his capacity as COB Executive Secretary, Juan Lechin Oquendo conducted the press conference. He took the opportunity to harshly attack the government:

[Begin recording] Hunger affects not only the miners, it affects all Bolivian people. Parents know how much money they need to send their children to school. This hunger is being used to facilitate the conversion of this country into a colony. [end recording]

After noting the degree of dependency Bolivia has reached, Lechin Oquendo once again mentioned armed struggle as an alternative for the people:

[Begin recording] Armed struggle is not just a slogan for people who really aspire to live in better conditions and free themselves from the shackles of U.S. imperialism by eliminating indebtedness. This government is doing nothing except increasing the foreign debt, which is already unpayable. So the people have no alternative but to prepare themselves for armed struggle. This is the correct alternative for the people. [end recording]

ARMED FORCES ENDORSE CIVILIAN-MILITARY UNITY

PY092324 La Paz EL DIARIO in Spanish 4 Jan 86 p 3

[Excerpt] The Armed Forces are proposing joint civilian-military actions to find solutions to our country's most pressing problems and to achieve the well-being of the Bolivian people.

The call was made yesterday at Government Palace by Commander in Chief of the Armed Forces General Raul Lopez Leyton, who said the joint effort would help the people achieve a great national goal.

"I seek cooperation, civilian-military unity in an unswerving effort to find solutions jointly to some of the problems that trouble us. We need each other to achieve that great national goal of the well-being of the Bolivian people," Gen Lopez Leyton stated.

Gen Lopez Leyton said the Armed Forces are aware of the important historical role being played by the country. In order for the military to cooperate with the government, some levels of action have been outlined, including civilian-military unity, internal unity among the members of the military institutions, and the preservation of the democratic process.

MILITARY COMMAND ANNOUNCES NEW APPOINTMENTS

PY081254 La Paz EL DIARIO in Spanish 3 Jan 86 p 3

[Text] The Military High Command has ordered the reorganization of the military hierarchy through a new list of postings, which was disclosed to the media. The list follows:

Chief of the Military Household of the President: Colonel Hernan Avila; aides-de-camp: Lieutenant Colonel Luis Claros and Major Jaime Mendoza Ferrufina; (National Security Council) permanent secretary general: Division General Angel Vargas; chief of cabinet: Brigadier General Maria Vargas; aide: Captain Victor Hugo Vera; (National Defense Ministry) national defense secretary: Brigadier General Gerardo Peralta; (Armed Forces Command) Armed Forces inspector general: Division General Gary Prado Salmon; director of the National Higher Studies School: Division General Felix Villarroel; chief of studies: Brigadier General Haroldo Pinto; Army chief of staff: Division General Simon Zubieta; Army inspector general: Brigadier General Mario Oxa; Department I: General Tito Justiniano; Department II: General Javier Pammo; Department III: General Luis Cordero; Department IV: General Gustavo Arrazola; Department V: General Augusto Sanchez; and Department VI: General Edwin Peredo.

Commander of the 1st Army Division: Brigadier General Macario Beltran; 2d Division: Colonel Jorge Salazar; 4th Division: Colonel Jaime Angulo; 7th Division; Brigadier General Hermes Fellman; 8th Division: Brigadier General Jorge Moreira; commander of the Army Command and Staff School: Major Colonel Renato Lopez; commander of the Army Military College: Brigadier General Romulo Mercado.

The following is a list of Army offiers moved to active reserve: General Simon Sejas, Division General Lucio Anez, Division General Raul Ramallo, Division General Elias Gutierrez, Brigadier General Abel Martinez, Brigadier General Iver Antelo, Brigadier General Oscar Flores, and Colonel Victor Lopez.

REAL ESTATE CONFEDERATION OPPOSES COMPULSORY LOAN

PY091539 La Paz Cadena Panamericana in Spanish 1130 GMT 9 Jan 86

[Text] Several sectors oppose the compulsory loan decree. The Confederation of Real Estate owners has stated that its members will not comply with the terms of the decree because it is unconstitutional. Confederation spokesmen have said that they would rather go to jail than comply with the decree.

BRIEFS

PRC MISSION VISITS BENI -- A PRC Foreign Ministry mission of economic and technical studies, made up of Liu He Lin, Yang Xi Xu, Chen Jing Tang, Che Kengi, Xu Xian, and Zhou Hong Tao, has visited Trinidad, Beni Department to contact the regional developments organization and establish the bases for a possible agreement on technical and economic cooperation in productive projects, particularly in the planting of rice and vegetables. [Summary] [La Paz PRESENCIA in Spanish 31 Dec 85 p 5 PY]

DRUG TRAFFICKERS ARRESTED -- Two young Bolivian women were arrested today at Ezeiza International Airport during a joint operation by Customs and Air Force personnel. They were carrying 8.25 kg of pure cocaine tied to their bodies. Their names were not disclosed. [Summary] [Buenos Aires DYN in Spanish 1709 GMT 2 Jan 86 PY]

37 KG OF COCAINE SEIZED -- Bolivian forces for the control and repression of drug production and trafficking have seized 37kg of cocaine in operations in Cochabamba and La Paz during the first 5 days of this year. The most important operations were carried out in the villages of Sinahota and Ibirgarzama in the tropical region of Chapare, and in the El Alto district of La Paz. Six people were arrested in connection with drug trafficking. [Summary] [Paris AFP in Spanish 1230 GMT 7 Jan 86 PY]

GOVERNMENT TO CONTINUE SUPPLYING ARMS TO LIBYA

PY091848 Madrid EFE in Spanish 1647 GMT 9 Jan 86

[Text] Brasilia, 9 Jan (EFE) -- Two days after the United States imposed sanctions on Tripoli, official and diplomatic sources today leaked that Brazil plans to remain one of Libya's main suppliers of weapons and planes.

The Libyan Embassy in Brasilia announced that a commercial and a military mission will come to Brazil to buy more Brazilian products. Ambassador Farage Suaiti announced that a Libyan mission will arrive in February to expand bilateral trade, particularly the purchase of weapons, as well as technology for the iron and steel industry. According to the Libyan diplomat, the Libyan Government wants bilateral trade to reach or surpass $1 billion in 1986.

A military mission is also scheduled to arrive at Sao Jose dos Campos on the outskirts of Sao Paulo, in March. The mission will negotiate the purchase of training planes for an amount that may be as high as $300 million.

Meanwhile, today the Foreign Ministry discreetly confirmed that Brazil does not intend to support the economic sanctions the U.S. Government imposed on Libya 48 hours ago. According to statistical data released today, Brazil ranks third as arms supplier of the Tripoli regime, after the USSR and the EC. According to conservative figures, Brazilian sales to Libya include 300 Cascavel-type wheeled armored vehicles, 100 amphibious vehicles, 100 combat vehicles, and an undetermined number of surface-to-air missiles and Astros II rocket launchers. In 1984, Brazil imported about $9 million worth of Libyan oil.

MILITARY POLICE TO REMOVE TRUCKERS' ROADBLOCKS

PY091725 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 9 Jan 86

[Text] The social and economic damage from the 3-day-old truckers' strike is becoming greater in several states. Even in places where the strike is not being complied with, the cargoes arriving from or leaving for other states are very scarce.

In Espirito Santo State, the roads are obstructed and its capital Vitoria may suffer a supply collapse. There are already shortages of some staples such as milk and farm products.

In Minas Gerais State, more than 2,000 trucks are at a standstill. The shipments within the state have been reduced by 80 percent, and the pickets let no one pass, not even trucks with perishable cargoes. The problem is also affecting the buses and has forced some companies to cancel trips, particularly those along the highway linking Juiz de Fora with Sao Paulo.

In Rio Grande do Sul State, the strike is hardly being complied with, but shipments cannot enter or leave the state. The freight companies have reported that losses are great, although so far they have no means to determine their extent.

In Parana State, the roads are obstructed by double lines of parked trucks, preventing even private cars from passing.

In Salvador, however, the strike ended after the truck drivers held a general assembly. The military police freed the perishable cargoes on the roads of Bahia State, thus weakening the strike by 50 percent.

As a consequence of the strike, the number of passengers on the Sao Paulo-Rio de Janeiro air shuttle service has greatly increased. We have a report by Alzira dos Campos:

[Begin recording] Traffic on the Sao Paulo-Rio de Janeiro President Dutra Highway was paralyzed by the striking truck drivers who blocked the lanes all day yesterday. This paralysis caused many problems for travelers going to Rio de Janeiro, and increased the movement of passengers on the air shuttle service at Congonhas Airport, where extra flights had to be organized. This roadblock is the only one in Sao Paulo State, located 200 km from the capital in the town of Lorena. From this town on it is impossible to go to Rio de Janeiro, and the only choice left is the Rio-Santos highway.

Here in Sao Paulo, the Brazilian Association of Truck Owners and Drivers (ABECAM) has termed this strike eminently political and does not support the movement. [end recording]

In Rio de Janeiro State, the strikers have closed the Dutra Highway with barricades made of tires and ropes, letting only ambulances pass. The demonstrators are inflexible and will only end the strike after their main demands are met. They are requesting observance of the freight rate list, the right to create a national truck owners and drivers union, and exemption from the manufactured goods tax when purchasing new trucks.

The federal government has authorized the use of police forces to remove the obstructions from the roads now blocked by the truckdrivers' pickets. This decision was reached yesterday during an unscheduled meeting President Sarney held with the labor, transportation, justice, and national information ministers, and with the military cabinet. At the end of the meeting, Transportation Minister Affonso Camargo said that the government respects the truckdrivers' strike but will not allow the pickets to prevent normal flow of traffic on the roads. The government's main concern, he said, is that this strike is harassing free traffic on the federal highways and upsetting not only the population but the entire national economy as well. The minister added that the decision to ask for the support of the military police in breaking up the pickets came up because of the inability of the highway police to cope with the situation. The federal highway police, who are responsible for traffic on the federal [words indistinct], do not have enough units to guarantee free traffic movement. Therefore, the federal police in several states asked for the support of the state military police so as to guarantee the freedom of those who want to use the roads, while respecting the freedom of those who want to remain parked.

Now we have a report from Ilde de Oliveira:

[Begin recording] According to Minister Affonso Camargo, the situation is at its worst in Rio de Janeiro, where the military police will also help guarantee the fuel supply.

The talks between the government, the truck owners, and the drivers will continue today. The problem of the freight rate list has now been settled, remaining the problem of unionizing the sector. This problem is more difficult to solve, because Labor Minister Almir Pazzianoto does not agree with the creation of a national truck owners and drivers union. [end recording]

Pazzianoto held a meeting today here in Brasilia with the principal leaders of the truckdrivers, aimed at solving the difficulties created by the strike.

Thus far there is no fuel shortage at any gasoline station in the country, but it may occur within 3 days if the truckdrivers' movement continues. This is the forecast from the Supply Directorate of the National Council for Petroleum.

FINANCE MINISTER SUFFERS CANCER RECURRENCE

PY081558 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 8 Jan 86

[Excerpts] Finance Minister Dilson Funaro has to face another problem besides inflation; he said that a month ago he learned he has cancer. Nevertheless, he insisted that it is nothing serious and with some treatment he will recover without undergoing complicated surgery. The finance minister spoke yesterday with the press about his illness, from which he has suffered in the past and will try to overcome again by working. He said he will not take leave from his post.

Minister Funaro will travel to the United States on 15 January and return on 18 January. After this trip, during which he will meet with IMF officials on the Brazilian economic situation so as to provide them with information for international creditor banks, Minister Funaro will undergo more tests to determine how his cancer is developing.

MINISTRY AWARE OF LIBYAN SUPPORT FOR TERRORISTS

PY092253 Santiago Domestic Service in Spanish 2200 GMT 9 Jan 86

[Text] A news report on assistance from the Libyan Government to Chilean terrorists has not caught Chilean authorities by surprise. Foreign Ministry spokesman Ambassador Pablo Valdes has stated that this report is not surprising because the Chilean Government has twice proven that Chilean terrorists were and are being trained throughout the world, and specifically in Libya.

The report, datelined Washington, states that the Reagan administration has made public a white paper on the connections between Libyan Chief of State Mu'ammar al-Qadhdhafi and international terrorism. In this regard, the U.S. State Department says that Libya has supplied money and weapons to the terrorist groups that seek to overthrow the government of Augusto Pinochet in Chile.

SPANISH LEGISLATORS TO STUDY CHILEAN SITUATION

PY092031 Santiago Domestic Service in Spanish 1630 GMT 9 Jan 86

[Excerpt] A group of Spanish legislators arrived today in Chile to learn about the real situation the country is experiencing. On their arrival at the Santiago International Airport, the Spanish legislators, from various political sectors, said they are visiting Chile to view the present situation objectively, and it is not their intention to interfere with Chilean domestic affairs.

Ciriaco de Vincente, spokesman of the Spanish legislators, said they will stay in Chile until 14 January. During their stay, they will meet with the interior and foreign ministers and with representatives of various political sectors.

BRIEFS

WAR UNDER SECRETARY INSTALLED -- On 19 December, Colonel Sergio Moreno assumed the post of Defense Ministry war under secretary during a ceremony presided over by Vice Admiral Patricio Carvajal, retired. Moreno replaces Brigadier General Renato Fuenzalida Maechel. [Summary] [Santiago LA TERCERA DE LA HORA in Spanish 19 Dec 85 p 17 PY]

AMBASSADOR TO LEBANON -- Florencio Zambrano, new extraordinary and plenipotentiary Chilean ambassador, has presented his credentials to Lebanese President Amin al-Jumayyil. [Summary] [Santiago Domestic Service in Spanish 2200 GMT 8 Jan 86 PY]

ARMY ARRESTS THREE FARC LEADERS IN CALI

PA091737 Bogota EL TIEMPO in Spanish 31 Dec 85 p 8 C

[Text] Three leaders from the FARC [Revolutionary Armed Forces of Colombia] Ricardo Franco Front were arrested yesterday in Cali for possession of war materiel, Army sources in Bogota have reported.

Those arrested are known by the aliases Zamir, Omar, and El Primo, and two are second and third in command of that guerrilla organization.

At the time of their arrest they had two Ingram submachineguns, two fragmentation shells, and Ricardo Franco Front administrative and propaganda material.

These people it appears, managed to escape the massacre in Tacueyo for which Javier Delgado has been blamed. Delgado has been placed on trial by the subversive group's top leaders.

Meanwhile, La Capitana, a 15-year-old girl arrested in Siloe, reported that approximately 180 members of the M-19 [19 April Movement] who had been recruited in Valle have deserted the insurgent movement.

Three guerrillas detained at the 3d Infantry Brigade installations in Cali confessed that they fled the M-19 ranks because they did not receive Christmas bonuses.

The girl also reported that at this time there is a massive desertion of the M-19 due to a leadership dispute between Rosemberg Pabon Pabon and Gustavo Arias Londono.

Military sources pointed out that an urban counterguerrilla company from the 3d Infantry Brigade has been following the movements of Ricardo Franco Front leaders, who have been trying to contact cells operating in Cali.

RICARDO FRANCO FRONT GROUP DECRIES EXECUTIONS

PA091333 Bogota EL TIEMPO in Spanish 6 Jan 86 p 3 a

[Communique issued by a "Base Command" of the Ricardo Franco Front in Medellin, dated December 1985]

[Text] Ricardo Franco Front, Base Command.

A few days after our last appeal to the Ricardo Franco Front Secretariat, new events force us to address the bases of the front throughout the country and the organizations of the National Guerrilla Coordinating Board [CNG], because of the genocide that is taking place inside the front, to report the following:

Because of the outrageous statement recently issued by the directorate of the front regarding the discovery and execution of some 150 "enemy agents," the base command denounces to the public, to all revolutionaries, to the Colombian people, this monstrous act that has deprived us of many of our best combatants, of youths who were sincere revolutionaries, because there was never any type of infiltration by the enemy. On Javier Delgado's orders, 130 sincere members of the Ricardo Franco Front have been executed in Cauca. In Medellin more than 30 companeros were vilely murdered, an act the perpetrators attempted to camouflage as the result of a war between mafia gangs.

And in Cali several members of the Valle base command were also killed. All those sacrificed were proven companeros, senior combatants of the highest revolutionary caliber.

We are not, as we could have thought in the past, facing an inept and misguided directorate. We are facing a band of criminals whose murderous acts leads us to ask ourselves: Who are the infiltrators: those killed or their killers? To whom is this genocide objectively advantageous? The truth cannot be obscured with a single finger. We have to face the fact that we have been manipulated by the enemy in our own directorate. This is the terrible fact we have to face today, which opened our eyes and allowed us to see why the Ricardo Franco Front Directorate made so many mistakes and acted with so much despotism and disunity.

It is necessary to take drastic action. For the moment we must expel the criminal gang headed by Javier Delgado and make the base command the Provisional National Directorate until a general assembly of the front makes a decision in this regard.

Similarly, we must ask the CNG to remove Javier Delgado and his henchmen as an elementary measure for the security of the guerrilla organizations of the CNG. Out with the murderers of revolutionaries! Hail the Provisional National Directorate!

Medellin, December 1985

2 FOUND IN COMMON GRAVE IN CAUCA PROVINCE

PA090358 Paris AFP in Spanish 0425 GMT 8 Jan 86

[Text] Bogota, 7 Jan (AFP) -- The discovery of another grave with several corpses was reported today by the authorities of Cauca, a province in southeastern Colombia.

Cauca Secretary of Government Mario Ortiz said that in Pitayo the military authorities found the corpses of a man and a woman with visible signs of torture and knife wounds; however, there seem to be more corpses in the makeshift grave.

As in the case of the 111 corpses found in 35 common graves during the month of December in the hills of Tacueyo and Corinto, also in Cauca Province, it is assumed that the two corpses found in Cauca belong to guerrillas of the Ricardo Franco Front, within which a "purge" has been launched.

In a clandestine communique Javier Delgado, commander of this subversive organization and a dissident of the communist Revolutionary Armed Forces of Colombia, admitted that he had ordered the "execution" of 134 members of the group because it was proved that they were "infiltrators."

MINISTER OPENS DOOR FOR COLORADO RECONCILIATION

PY100115 Asuncion Cerro Cora Sistema Nacional Television in Spanish 2300 GMT 9 Jan 86

[Interview with Interior Minister Sabino Augusto Montanaro by unidentified reporter following opening session of the Council of State in Asuncion 9 January -- recorded]

[Excerpt] [Question] Minister, [Colorado Party Executive Board President] Juan Ramon Chavez has categorically rejected dialogue with expelled members of the Colorado Party. What is your opinion of the situation, especially regarding members of the Colorado Popular Movement [Mopoco]?

[Montanaro] We, in our capacity as Colorado Party officials and members, maintain an open-door policy for party members, those who actively participate, as well as those who have been expelled for some reason. Those who intend to continue to engage in politics must start by coming to party headquarters and requesting an audience with the party executive board president for a discussion of their desire to engage in politics within the Colorado Party. They feel more comfortable, however, with the National Accord, or as allies of our enemies, whom we defeated and against whom they once fought. Some of them fought in the 1947 revolution against these enemies and are now happily reaching agreements and mixing with them.

[Question] Is their return subject to any conditions?

[Montanaro] None at all.

[Question] At first there was talk that they would return one by one.

[Montanaro] No, by no means, there was no talk about their coming one by one, in groups of 5, 10, or more. Those who wish to talk to Mr Chavez should go to the executive board and request to do so.

Colorado Leader Rejects Talks

PY100113 Asuncion ULTIMA HORA in Spanish 9 Jan 86 p 11

[Excerpt] Colorado Party Executive Board President Dr Juan Ramon Chavez this morning categorically denied to this newspaper recent reports that the status of those expelled from the Colorado Party -- now members of the Colorado Popular Movement (Mopoco) -- would be reconsidered by the Colorado Party leadership or that the issue was being discussed at high levels.

The high-ranking political leader emphatically stated: "I have never talked with them. That issue will not be discussed and the reports recently published by the press are untrue. They have never talked with me and they never will."

Chavez stressed that "the reports are all lies," and at no time was the issue discussed. He thus clarified a situation that had been developing recently concerning possibilities that were being read into statements made by some Colorado Party executive board members, such as Dr Pedro Hugo Pena and Dr Adan Godoy Jimenez, the Colorado Party executive board political secretary and vice president, respectively.

GARCIA DESIGNATES NEW AGRICULTURE MINISTER

PY091535 Lima Television Peruana in Spanish 0000 GMT 9 Jan 86

[Text] Deputy Remigio Morales Bermudez was designated the new agriculture minister this afternoon. President Alan Garcia Perez made the announcement today after meeting for approximately 6 hours with outgoing Minister Mario Barturen, the chief of the National Planning Institute, the deputy economy minister, and high-level Agriculture and Economy Ministry officials.

[Begin Garcia recording, in progress] ...so there has been a temporary break. I would say the media have depicted this situation as somewhat worse than it really is. However, this is only temporary, because the economic program has not been discontinued. The current gap between supply and demand is one of the problems that we have inherited and that we have to solve little by little.

Workers changed their consumption habits and started buying chicken, which is the cheapest kind of meat, after salaries were raised by 50 to 60 percent. Now, it takes 50 to 60 days to produce marketable chicken, while it takes only 30 minutes to 1 hour to eat them. Therefore, the supply has not caught up with the growing demand. Pursuing its social objectives, the government has tried to raise the purchasing power of the poorer sectors through temporary jobs and higher minimum salaries. This has caused a temporary maladjustment. But I want to ask the people to keep calm and to have confidence in the government, because this is only a temporary break. Our political and economic objectives remain unchanged, and we will overcome this problem. We have evaluated our stocks and found that our supply will remain at satisfactory levels.

To meet the higher demand in the cities, we must improve agricultural production and raise the income of our peasants, who are the country's poorest sector. This is why I came to the Agriculture Ministry. I had to make some decisions. I want to announce that Deputy Remigio Morales Bermudez, deputy chairman of the bicameral Ways and Means Committee, will succeed outgoing Agricultrue Minister Mario Barturen, who will work as advisor on some Andean agrarian development issues. The new minister will be installed at 1800 tomorrow. [end recording]

BRIEFS

NEW AMBASSADORS APPOINTED -- The Peruvian Government has appointed seven new ambassadors. They are: Carlos Higueras Ramos to Cuba; Alfonso Grados Bertorini to Argentina; Luis Machiaviallo to Japan; Enrique Rivera Velez to Costa Rica; Carlos Raffo Dasso to Great Britain; Armando Lecaros de Cossio to Nicaragua; and Maria Zalazar Castellanos to Poland. All the appointments have been approved by the Senate. [Summary] [Paris AFP in Spanish 1826 GMT 28 Dec 85 PY]

SENATE CONDEMNS SOVIET MILITARISM IN AFGHANISTAN

PY091720 Paris AFP in Spanish 1258 GMT 9 Jan 86

[Text] Montevideo, 9 Jan (AFP) -- The Uruguayan Senate last night harshly condemned the Soviet military intervention in Afghanistan on the 6th anniversary of its invasion by Soviet troops. In a statement, the Senate reasserted its support for unrestricted respect for the principles of self-determination and nonintervention, as well as its solidarity with the right of all peoples to freely choose their political system, without the presence of foreign troops or other forms of oppression or dependency.

The statement of condemnation was supported by the majority of senators, including several who belong to the leftist Broad Front coalition, but was not supported by two senators who belong to the Advanced Democracy group, headed by the pro-Soviet Communist Party.

COMMUNIST PARTY MEETING ENDS; LEADERS ELECTED

PY092204 Montevideo LA HORA in Spanish 23 Dec 85 p 3

[Text] After listening to the closing speech by Rodney Arismendi, delegates to the National Conference of the Uruguayan Communist Party [PCU], in their final activity, elected the members of the PCU Central Committee [C.C.] The election was chaired by Jorge Mazzarovich who read out the list of candidates proposed by the candidates' commission. He also explained the general criteria the commission followed to select the candidates. The list of candidates proposed by the commission includes members elected in the XXth Congress, the cadre admitted during the struggle against dictatorship, the comrades invited to C.C. meetings since last March, and some other members who will participate in this National Conference. The voting took place afterwards and each name was voted on individually. Most candidates were elected unanimously.

An emotional episode took place when, at the suggestion of a delegate, the assembly approved with a standing ovation the inclusion on the C.C. two missing comrades: Eduardo Bleier and Oscar Tassino.

The new C.C. met shortly after the election. One of its first decisions was to appoint Rodney Arismendi as secretary general, and Jaime Perez as deputy secretary general. The C.C. then appointed new executive committee members (as well as alternate members) and the secretariat members. The new C.C. members then went to the stage and received an ovation from the delegates. The appointments were read out, and touching scenes took place with embraces and sorgs. The Internationale was sung, and Jorge Mazzarovich presided over the closing of the National PCU Conference at 1620.

The following are the acting members of the Executive Committee: Rodney Arismendi, Jaime Perez, Jose Luis Massera, Enrique Rodriguez, Leopoldo Bruera, Rosario Pietrarroia, Eduardo Viera, Pedro Toledo, Leon Lev, Ramon Cabrera, Alberto Altesor, Daniel Baldasari, Felix Diaz, Jorge Mazzarovich, Thelman Borges, and Esteban Valenti. Executive Committee alternate members include: Juan Angel Toledo, Geza Stary, Aldo Lista, and Andres Toriani. Central Committee Secretariat members are: Rodney Arismendi, secretary general; Jaime Perez, assistant secretary general; Alberto Altesor; Felix Diaz; Thelman Borges; Esteban Valenti; Leopoldo Bruera; Leon Lev; and Ramon Cabrera.

LUSINCHI BIDS FAREWELL TO OUTGOING CABINET

PA091845 Caracas Television Service in Spanish 1712 GMT 9 Jan 86

[Speech By President Jaime Lusinchi at the ceremony to swear in the new state ministers and governors at Miraflores Palace -- live]

[Text] Although it is not customary in such cases, reasons of the heart and mind compel me to say a few words during this ceremony. A reshuffle in the cabinet or in the state governors does not mean that a certain or different assessment was made regarding the outgoing ministers and governors and those who remain. In good part, and as is often the case, this change was prompted by subtle reasons of public opinion and by adjustments in the government team and orientation deemed necessary. It was also prompted by views that may very well be construed as abstract, but which are in turn prompted by other abstract yet compelling, decisive reasons usually known as reasons of state.

It is hard to make a decision such as this one, when one has worked with persons of the highest intellectual quality and merit as citizens. However, the administration of politics is sometimes merciless and has precedence over reasons of the heart. For instance, to have to part with men and women such as Milena Sardi de Selle, Juancho [Juan Francisco] Otaola, Ignacio Iribarren, Carlos Rafael Silva, Rafael Martin Guedez, members of my cabinet, and the distinguished governors who now leave their posts is indeed a very difficult decision. As I welcome and thank the new persons who will now occupy the positions they left and also thank those who decided to remain in my cabinet, I want to pay a very, very sincere tribute, as president of the Republic and a human being, to the distinguished Venezuelan citizens who accompanied me during very hard times in handling a situation which, needless to say, is complex and demanding.

I would like to say that I have tried to give my government a collective sense and that as head of state I accept full responsibility for the policies that have been implemented and that will be implemented. Therefore, the views by those who seek contrived [convenido] headlines to make personal accusations regarding policies that were collective can only be labeled as ill-intentioned. In my specific case, these policies are part of a government plan and stem from deep reasons of state in view of the country's very special situation. I wanted to say this because I feel that I must immediately define things precisely, and reaffirm my responsibility as head of state in handling the state's affairs.

I am indebted to these distinguished and very generous friends who are here showing once again the extent of their ties to me and to the country. I know that I will be able to call on them. I have already called on them to consider certain proposals so that they may continue to assist me in the difficult task of achieving a path to progress, strengthened liberty, and the participative and generous democracy this country has always longed for and which we, Venezuelans of this generation and those to come, are committed to achieve. Thank you very much. [applause]

DECREES APPOINTING CABINET, STATE MINISTERS READ

Cabinet Announced

PA092051 Caracas Television Service in Spanish 1646 GMT 9 Jan 86

[Decree No 976 issued by President Jaime Lusinchi on 8 January -- read by the secretary of the Council of Ministers]

[Text] Republic of Venezuela
Presidential Office
Decree No 976

In accordance with the second duty stated in Article 190 of the Constitution, I decree:

Article 1: I accept the resignation which the ministers submitted to me on 8 January 1986.

Article 2: I appoint:

Interior Affairs Minister	Octavio Lepage
Foreign Relations Minister	Simon Alberto Consalvi
Finance Minister	Manuel Azpurua Arreaza
Defense Minister	Real Admiral Andres Eduardo Brito Martinez
Development Minister	Jose Angel Ciliberto
Education Minister	Luis Manuel Carbonell
Health and Social Welfare Minister	Otto Hernandez Pieretti
Agriculture and Livestock Minister	Felipe Gomez Alvarez
Labor Minister	Simon Antoni Pavan
Transport and Communications Minister	Juan Pedro Del Moral
Justice Minister	Jose Manzo Gonzalez
Energy and Mines Minister	Arturo Hernandez Grisanti
Environmental and Natural Renewable Resources Minister	Guillermo Colmenares Fimol
Urban Development Minister	Cesar Quintana
Youth Minister	Virginia Olivo de Celli
Minister of the Secretariat of the Presidency	Carmelo Lauria Lesseur

Issued in Caracas on 8 January 1986, the 175th anniversary of the Independence and the 126th anniversary of the Federation. [Signed] Jaime Lusinchi

Ministers of State Named

PA092211 Caracas Television Service in Spanish 1646 GMT 8 Jan 86

[Decree No 977 issued by President Jaime Lusinchi in Caracas on 8 January 1986 -- read by unidentified announcer]

[Text] Decree No 977

According to Article 190, Paragraph 2, and Article 194 of the Constitution, and in agreement with Article 3 of the central administration's organic law, I, Jaime Lusinchi, president of the Republic, hereby decree:

Article 1. I accept the resignation presented to me by the ministers of state on 8 January 1986.

Article 2. I hereby appoint Leopoldo Carneval minister of state and head of the Office of Coordination and Planning of the presidency. I appoint Hector Hurtado minister of state and president of the Venezuelan Investment Fund. I appoint Paulina Gamus minister of state and chairman of the National Culture Council. I appoint Tulio Arends minister of state for science and technology and president of the National Council for Scientific and Technological Research. I appoint Leopoldo Sucre Figarella minister of state and president of the Venezuelan Corporation of Guayana. He is also to coordinate the state enterprises under the jurisdiction of the corporation.

Caracas, 8 January 1986, 175th year of our Independence and 126th year of our Federation [Signed] Jaime Lusinchi

Anzola Designated as Advisor

PA092212 Caracas Television Service in Spanish 1646 GMT 8 Jan 86

[Decree No 978 issued by President Jaime Lushinchi in Caracas on 8 January 1986 -- read by unidentified announcer]

[Text] Decree No 978

According to Article 190, Paragraph 2, and Article 194 of the Constitution, and in agreement with Article 3 of the central administration's organic law, I, Jaime Lusinchi president of the republic, hereby decree:

Article 1. I hereby designate Hernan Anzola Jimenez minister of state.

Article 2. The minister of state designated will advise the president of the Republic in the development, organization, and supervision of the basic production of the country's goods and services and in the coordination and supervision of state enterprises and the government programs indicated by the government.

Caracas, 8 January 1986, 175th year of our Independence and 126th year of our Federation
[Signed] Jaime Lusinchi

REAGAN-DE LA MADRID MEETING DEEMED 'POSITIVE'

PA091721 Mexico EXCELSIOR in Spanish 6 Jan 86 p 6 A

[Editorial: "Positive Assessment"]

[Text] The positive assessment of the De la Madrid-Reagan meeting in Mexicali, 1986's first major event, does not rule out serious current and future perils stemming from the problems caused by our closeness to the most powerful country on earth.

The visitor's courteous and amiable attitude and the Mexican leader's flawless dignity endowed this meeting of values with a solemnity that enhances our relations and diplomacy.

The meeting was good, perhaps the best these two figures have had and one of the most positive held by the leader of one country visiting another. That seems indisputable. In such difficult moments for the Mexican economy and our government finances, the Mexican president's stance provides a proud example as well as a solid reason for Mexicans to feel assured at the start of a year rightly feared for its inflationary beginnings and for the conflicting aftermath of adverse natural phenomena.

The Central American problem, which is very important to us, no longer served to deepen our differences with the United States, but rather brought President Reagan closer to the possibility of listening to the Latin American viewpoint. It is no easy task to make him forsake his radical stance, prompted by the interests at stake for that nation's capital rather than ideological reasons. However, we were able to maintain a stance based on our history and our interests as an independent country which views its ability to make its own decisions and its respect for others as an unyielding commitment to be respected by others.

Regarding international issues, all the right issues were discussed, whether regarding the world's general outlook or our coexistence as bordering countries. The banner of an honest friendship was hoisted.

USSR UN ENVOY VISITS, CONDEMNS TERRORISM

FL100106 Mexico City NOTIMEX in Spanish 0005 GMT 10 Jan 86

[Text] Mexico City, 9 Jan (NOTIMEX) -- USSR Ambassador to the United Nations Alexandrovich Troyanovskiy demanded today the international community's support for the 1984 UN resolution restraining terrorism everywhere. He said that at the last UN meeting his country and Mexico spoke against these types of acts, as well as the arms race, in order to achieve true world peace.

Upon his arrival in Mexico City on a private visit, the Soviet diplomat stressed the work done by the USSR and Mexico at international forums to struggle against international terrorism that threatens the lives of innocent people.

Questioned about the U.S. economic blockade of Libya, the Soviet representative said his country has always been against terrorist acts that some countries practice and that state terrorism is the most dangerous in a series of isolated instances, since it tries to destabilize a country.

Troyanovskiy stressed that the USSR and Mexico have always been cooperative at the diplomatic level, and proof of this is that the two countries always support each other's positions at the United Nations.

FOREIGN SECRETARY MEETS WITH EEC AMBASSADORS

FL091904 Mexico City NOTIMEX in Spanish 0345 GMT 9 Jan 86

[Text] Mexico City, 8 Jan (NOTIMEX) -- Today Mexican Foreign Secretary Bernardo Sepulveda and the 12 ambassadors who represent the EEC studied the objective of the coming meeting of the Contadora Group and the difficult Central American situation. At the meeting, which was held at the Secretariat of Foreign Relations, they studied such subjects as the confrontation between the United States and Nicaragua, economic problems affecting the Central American region, and the participation of the EEC in the area in the near future.

Foreign Secretary Sepulveda also discussed his recent meeting in Mexicali with U.S. President Ronald Reagan.

During the meeting, the EEC representatives discussed the main conflicts and obstacles they observed in Central America and expressed their opinions of what urgent measures must be taken. They expressed satisfaction at the fact that although the signing of the Contadora peace document has been postponed, the meetings of foreign ministers with the Support Group are continuing, which demonstrates the permanent desire for peace.

SALVADORAN AMBASSADOR ON TERRORISM, CONTADORA

FL090430 Mexico City NOTIMEX in Spanish 0230 GMT 9 Jan 86

[Text] Mexico City, 8 Jan (NOTIMEX) -- Salvadoran Ambassador to Mexico Sigfrido Munes said today that terrorist infiltration in Latin America exists, and the proof can be found in the recent acts in Colombia, Peru, and other nations. He said many governments do not call these acts in Latin America terrorism. For example, kidnappings and communications sabotage cannot be classified within a social struggle, since their main objective is extortion.

Interviewed at the Mexico City Airport before returning to San Salvador, where he will meet with authorities from his country, the Central American diplomat urged Latin American governments to unite in a common front to maintain law and social stability, because acts of terrorism expand and are dangerously scattered day by day over the entire area.

In reference to the Central American problem, Sigfrido Munes expressed his government's desire that the peace act be signed and supported at the next meeting of the Contadora Group in Caracas, Venezuela. I hope, he continued, that at that meeting the Contadora Group will be rightfully judged and will use all its potential and good faith.

In reference to the March for Peace in Central America, the Salvadoran ambassador said that if some countries have not allowed their entrance it is for security reasons, since some territories are experiencing war, which is very dangerous for a group of strangers.

U.S. CONGRESSMEN ACCUSED OF LOCAL MEDDLING

PA092215 Panama City MATUTINO in Spanish 8 Jan 86 pp 9 B, 12 B

[Article by Roberto R. Rodriguez]

[Text] The 13 U.S. Congressmen who tried to meddle in the country's domestic affairs last week were apparently the same ones, who, years ago, before the Torrijos-Carter Treaties were in effect, asked the U.S. Congress' permission to come here under the pretext of supervising their government's agencies abroad, with all their expenses paid by Pan-Canal [the then Panama Canal Company].

In the United States this is the season when the cold weather numbs all Americans, so they like to travel to tropical countries like Panama and the Caribbean to enjoy the beaches and scenery of the region.

We have learned from very knowledgeable sources about such trips that this time local Panamanian politicians paid all the congressmen's expenses. This was part of a campaign to discredit Panama, in order to distort the Panamanian reality.

Such campaigns, as is already known, are intended to undermine the national government, to criticize it, and to blame it for the socioeconomic situation, as if the current leaders and not the current world crisis were at fault.

In short, their objective is to tarnish the Panamanian Government's efforts to continue to provide social justice and subject the government to "blackmail," so that it will knuckle under without dignity.

Likewise, some of the congressmen who used to come to Panama with their expenses paid by Pan-Canal were seen on some of our country's beaches, enjoying the sun's rays that are absent in the great northern country during this season.

The meddling of the congressmen in Panama's domestic affairs was described by a legislator as similar to having the owner of a farm return from the city and call the overseers to account. These actions have been totally frowned upon by important sectors of opinion, which describe them as a vulgar and irreparable insult to Panama's sovereignty.

PRD PRESIDENT FORESEES NO CABINET CHANGES

PA081241 Panama City Circuito RPC Television in Spanish 1730 GMT 7 Jan 86

[Text] No changes are expected in President Eric Arturo Delvalle's cabinet, it was asserted this morning by PRD [Democratic Revolutionary Party] President Romulo Escobar Bethancourt.

[Begin recording] [Bethancourt] We have held several meetings with the president of the republic during the last few days, and we never talked about changes in the cabinet. This does not currently represent a priority for the PRD. In addition, President Delvalle's government has been in office for a short time. It is necessary to unite our efforts and seek a policy that solves the various problems in the country. In our opinion, this is more important for the PRD than any changes in the cabinet. Consequently, I can assert that we have not discussed the possibility of making changes in the cabinet with the president, and the PRD has not asked him to make any changes.

[Unidentified reporter] Is there any contradiction between what is proposed by the PRD and what President Delvalle has said?

[Bethancourt] No, there is no contradiction. We understood that the president's message was optimistic and sought to renew the people's hopes and faith that their government is interested in solving their problems, particularly their economic problems. Our party agrees with this, and the letter we sent him includes several proposals to solve the various problems in the country, particularly the economic problem. [end recording]

Opposition Creating Unrest

PA091916 Panama City Televisora Nacional in Spanish 0000 GMT 9 Jan 86

[Text] Romulo Bethancourt, president of the Democratic Revolutionary Party [PRD], has charged that opposition leaders are spearheading a seditious campaign to create a climate of anxiety and instability in the country.

[Begin recording] This campaign is being directed by certain people, specifically by Dr Ricardo Arias Calderon and Mr I. Roberto Eisenmann. They are the directors of a campaign that includes efforts to create financial panic, allegations that the country is bankrupt, and statements aimed at confusing public opinion. All this is aimed at achieving something they boast about. They are prepared to lead this country even into bankruptcy in order to get rid of what they call the military elite.

The PRD is on the alert against this conspiracy. As a matter of fact, one of the decisions reached yesterday at the PRD Political Commission was to close ranks with the Defense Forces, the UNADE [National Democratic Union] parties, and the president of the republic in order to confront this new conspiracy. [end recording]

BRIEFS

NEW AMBASSADOR TO TAIWAN -- Aurelio Chu-Yi has been appointed Panamanian ambassador to Taiwan, replacing Major Jose Maria Serrano, who resigned and will return to the country. [Summary] [Panama City LA ESTRELLA DE PANAMA in Spanish 4 Jan 86 p A 4 PA]

NEW BOLIVIAN AMBASSADOR -- Jaime Ramirez Moralez has presented his credentials to Bolivian President Victor Paz Estenssoro. [Summary] [Panama City LA ESTRELLA DE PANAMA in Spanish 5 Jan 86 p A 2 PA]

NEW ELECTORAL TRIBUNAL MAGISTRATE -- Luis Chen, a well-known lawyer, has been appointed magistrate to the Electoral Tribunal, replacing Carlos Villalaz. [Summary] [Panama City LA ESTRELLA DE PANAMA in Spanish 4 Jan 86 p A 4 PA]

COSTA RICA

MONGE AGREES TO ATTEND AZCONA INAUGURATION

PA091932 San Jose Radio Reloj in Spanish 1200 GMT 9 Jan 86

[Text] A top-level delegation of the newly-elected Honduran administration, headed by Vice President Alfredo Fortin, arrived in the country yesterday to invite President Monge to attend the inauguration of President-elect Jose Azcona del Hoyo. This delegation is made up of Carlos Montoya, William Homes, Antonio Ortiz, Oscar Melada, and Rigoberto Lopez Duaran. They met with the president, presidential candidates Oscar Arias and Rafael Angel Calderon, and with other national leaders. Monge told the delegation members he will attend Azcona's inauguration on 27 January.

GUATEMALA

NEW CEREZO CABINET; C. AMERICAN PRESIDENTS TO MEET

PA092210 Panama City ACAN in Spanish 2135 GMT 9 Jan 86

[By Alberto Flores]

[Text] Guatemala City, 9 Jan (ACAN-EFE) -- The president-elect of Guatemala, Christian Democrat Vinicio Cerezo, announced today the list of his future cabinet members, a "team of professionals" who have no links with any group.

Cerezo asserted during a news conference that the appointment of these new ministers is the first success of his "national coordination" policy, in which the president will merely be the coordinator of an overall effort to develop the country and seek peace.

The list of cabinet members, who will be sworn in on 14 January, is as follows:

Defense	General Jaime Hernandez
Foreign Relations	Mario Quinonez Amezquita
Government	Juan Jose Rodil
Economy	Lizardo Sosa
Development	Rene de Leon Schlotter
Finance	Rodolfo Paiz
Labor and Social Welfare	Catalina Soberanis
Agriculture	Rodolfo Estrada
Energy and Mines	Ronaldo Castillo Contoux
Communications and Public Works	Eduardo Goyzueta
Education	Eduardo Meyer
Public Health	Carlos Armanto Soto
Culture and Sports	Elmar Rene Rojas

Colonel Roberto Matta Galvez and General Hector Gramajo were appointed chiefs of the presidential staff and national defense, respectively.

Vinicio Cerezo asserted during the news conference that his foreign policy will be based on two points: noninterference by countries in each others' internal affairs, which guarantees mutual respect; and the search for a consolidation of peace in the Central American area.

Cerezo Arevalo announced that on Wednesday, 15 January, 1 day after assuming his post, he will meet with the presidents of Central America and Panama. Cerezo will do so with the intent of reactivating the Contadora process, and to start -- at the highest level -- efforts to establish the Central American parliament.

The president-elect explained his intension of contacting other democratic Latin American governments to achieve an overall negotiation of the foreign debt because he thinks this must include resources that permit the start of development programs.

Referring to the topic of refugees and exiled people, Cerezo said he has already begun the first contact with Mexico, the International Red Cross, and other organizations in order to create the necessary conditions for Guatemalans who desire to return to do so. Vinicio Cerezo said that the only condition for any Guatemalan who wishes to return is that he must be willing to respect and work for democracy in the country.

HONDURAS

SUAZO SAYS CURRENCY WILL NOT BE DEVALUED

PA091604 Tegucigalpa Voz de Honduras Network in Spanish 1711 GMT 8 Jan 86

[Speech by President Roberto Suazo Cordova at a ceremony held in his honor by members of his cabinet at the Presidency on 8 January 1986 -- recorded]

[Excerpt] I know that I have ruled the country during a time that was perhaps the most difficult in our homeland's history, particularly because of the economic crisis was have had to face as a result of the world's economic recession. We have had an unfavorable balance of payments and have confronted many problems. However, we have had great collaborators in each and every one of the secretaries of state, the under secretaries, and the president and vice president of Banadesa [National Agricultural Development Bank]. I must make special mention of the Central Bank, since [words indistinct]. They have taken drastic measures to prevent the devaluation of our currency. I believe that the Honduran people must recognize the efforts made by the authorities of the Central Bank, who have been harshly criticized for the measures adopted. However, I believe they were fundamental in order to maintain the parity of the lempira.

I do feel that the latest statements to the press and radio by the members of the cabinet in charge of economic affairs -- who are meeting this morning -- will serve to clarify their position once and for all and refute yesterday's statements, which have been distorted to some extent, by some members of the private enterprises sector with whom we have held discussions.

We have felt, and continue to feel, that we have complied with all of the established requirements. The only matter left pending is the bill on the customs tariff. We complied by sending it to Congress, but the private sector asked that discussion on it to be postponed for [words indistinct] months.

The Honduran people know that we have acted with utmost honesty and dignity. We could have perfectly well accepted all conditions, but this would have spelled disaster for the government that will be inaugurated on 27 January. I think that, as a result of our position, the USAID, the World Bank, and IDB will make public statements that will strengthen the new government and prevent the Honduran currency from being devalued.

This will be one of our greatest achievements or, better put, the foundations we will leave to you [words indistinct] members of the cabinet to prevent our currency from being devalued.

We would have accepted just any condition if we had been acting in bad faith. However, with a parallel market the lempira would have probably been devalued next year. We feel that the position we have adopted recently -- with which we think the Honduran people concur -- will make you realize that things were the way we said.

My conscience is clear. As I have said before, I am fulfilling my duty and will do so up to the last minute. Thanks to God, the Honduran people, and the Armed Forces' backing, I am completing my constitutional term. I told you in a previous speech that one of President Suazo Cordova's greatest satisfactions as a member of the Liberal Party is that the presidential sash I wear proudly because it was given to me by the Honduran people will be passed on to a friend and fellow party member, Jose Azcona del Hoyo, who will be our constitutional president after 27 January.

I also told you -- and I think this is perfectly justified -- that this is further proof that the Liberal Party suffered no erosion while in power because if it had suffered any attrition we would have lost the elections.

NICARAGUAN PLANE TO BE RETURNED; PILOT DEFECTING

PA100001 Panama City ACAN in Spanish 2336 GMT 9 Jan 86

[Excerpt] Tegucigalpa, 9 Jan (ACAN-EFE) -- The Honduran Government today stated its decision to return a cargo airplane to Nicaragua, but not the pilot who deserted and brought it to this capital. According to the Honduran Government, "the appropriate contacts were made with the Nicaraguan Embassy in Tegucigalpa in order to make the necessary arrangements to return the aircraft."

Referring to the pilot, Salvador Blanco Silva, it was indicated that the Honduran Government is studying his request for political asylum or the possibility of sending him to a third country that accepts him a possibility under international law.

In addition, the Honduran Government rejected Nicaragua's statements that the former is encouraging Nicaraguan officials and soldiers to desert to its territory by offering protection.

A note from Honduran Foreign Secretary Edgardo Paz Barnica to his Nicaraguan counterpart, Miguel D'Escoto, said: "We consider unacceptable what is stated in your protest note on this case and other similar ones because it is inaccurate." Paz Barnica's message asserted that the statement is inaccurate "because Honduras, like other countries in Europe [as received], limits itself to accepting those citizens who voluntarily -- many times risking their lives -- decide to abandon their countries of origin."

AZCONA MEETS WITH U.S. JOINT CHIEFS CHAIRMAN

PA090449 San Pedro Sula TIEMPO in Spanish 8 Jan 86 p 3

[Excerpt] Tegucigalpa -- President-elect Jose Azcona del Hoyo met Admiral William J. Crowe, chairman of the U.S. Joint Chiefs of Staff, at the U.S. Embassy in Tegucigalpa, but no information was given about their meeting.

Azcona del Hoyo met with the top-level U.S. military leader and Ambassador John Arthur Ferch early in the morning during a breakfast at the diplomatic mission. President-elect Azcona was accompanied to the meeting by Presidential designate Jaime Rosenthal Oliva, Alfredo Fortin, Jorge Maradiaga, Carlos Montoya, and Celeo Arias Moncada.

Carlos Montoya said Crowe's visit to Tegucigalpa "honors our country." He added that it is "an act of solidarity, rapprochment, respect, and esteem for Honduran democracy."

The politician said that the U.S. diplomats and military officer "stated their interest in continuing to fully cooperate with Honduras, both in its economic development and military strengthening." Montoya asserted: "Nothing, absolutely nothing was discussed concerning the presence of counterrevolutionaries in Honduras. It was a fraternal meeting to state U.S. support for the new government and maintain cooperation between the two countries."

AZCONA ON CURRENCY DEVALUATION, U.S. PRESENCE

PA091338 San Pedro Sula TIEMPO in Spanish 8 Jan 86 p 3

[Text] Tegucigalpa -- "The United States has not told Honduras to devalue its currency," Honduran president-elect Jose Azcona del Hoyo said yesterday. Azcona said that "Central America's current situation, Honduras' economic situation, and everything that is customarily discussed in meetins like this" was covered during his meeting with Admiral William J. Crowe, chairman of the U.S. Joint Chiefs of Staff.

Asked by a reporter whether he will negotiate the United States' military presence in Honduras, Azcona said: "I am not speaking of negotiating anything."

"The U.S. military presence in Honduras goes back to 1954. It is nothing new," said Azcona, recalling the fact that the Honduran National Congress has pending for discussion annex protocols to the treaty for military assistance with the United States which "it must examine, approve, or reject. We will abide by the Congress' decision," he stated.

"We will continue what the Suazo Cordova administration has done in connection with U.S. military assistance," he indicated.

Asked whether the aid would arrive in exchange for allowing the passage of U.S. materiel to the contras, Azcona replied: "No condition has been asked of me nor have we entered into any negotiation because I am not the president of Honduras yet. I am still the president-elect and I command no authority at this time."

In response to presistent questions on whether he will accept conditions like those in exchange for U.S. economic assistance to prevent a devaluation, the president-elect said: The United States has not told Honduras to devalue its currency." "The United States has discussed with us the need to implement certain measures to clean up the economy and Honduras can accept or reject those recommendations," he explained.

Azcona announced that during his coming visit to Washington he will set forth to the Reagan administration his government's position on the Central American problem and the Honduran economic situation.

COHEP PRESIDENT SAYS AID NEVER EXERTED PRESSURE

PA091718 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 8 Jan 86

[Interview with Dr Jorge Gomez Andino, president of the Honduran Council for Higher Enterprise, COHEP, by unidentified reporter; date and place not given -- recorded, broadcast in progress]

[Text] [Gomez] ... Our concern over the problem of an apparent clash between the AID and the government. This morning we met with AID to discuss our viewpoints. We also met today with the economic cabinet. It happens that there is no problem; there was a breakdown in communication. Everything has been resolved. We are working to solve this problem. I think AID and the economic cabinet are clear on this now. There is no problem. There is no devaluation. There is no demand to devaluate. In fact, appropriate measures are being implemented to keep the lempira at 2 for 1 in relation to the dollar.

[Reporter] Dr Gomez, does this mean that the U.S. Government promised to make the $50 million payment to the Honduran Government before the current administration ends its term?

[Gomez] No, there is no promise yet. I mean, the problem was solved, but we do not know whether it will be paid now or later. What is important is that the problem was solved. There was an interpretation problem. There was no demand made. This was an agreement misinterpretation. That caused a delay, not by AID in Tegucigalpa, but by Washington, which demanded a certain kind of document. However, there is no problem anymore.

[Reporter] Therefore, Dr Gomez, has AID acknowledged that Honduras complied with all requirements needed for the payment?

[Gomez] No. Simply put, Honduras interprets the agreement in one way and they interpret it in another way. However, they will reach common conclusions to solve the problem. In fact, tomorrow I think that the IDB.... [Gomez changes thought] We will meet today to discuss $40 million that I think will be targeted for industrial reactivation. This will help ease the situation. Therefore, there is no problem on the part of AID or the United States. They are willing to continue helping Honduras and its development. The economic cabinet has done a good job and AID acknowledges that. It acknowledges that the current economic cabinet has done a good job. It respects the cabinet for its capacity and work to benefit Honduras.

[Reporter] Dr Gomez, in the beginning it was said that this issue had political connotations.

[Gomez] No, there is no political connotation in this. It is simply a difference in interpretation and viewpoints in the negotiations that deviated from the negotiations framework. There was a distortion due to a lack of communication.

[Reporter] Therefore, there was never any pressure on the part of the United States?

[Gomez] No, there has been no pressure so far. There is no problem; there is no reason to exert any pressure. They seek an activation of our development leading to a positive upstart in several sectors to ensure that the entire organization will focus on development -- not only the internal aspect, but also the external aspect of the Honduran representation. I am referring to the diplomatic-consular corps.

[Reporter] Dr Gomez, despite this, officials of the current administration publicly said that the U.S. Government through AID did in fact exert pressure to devaluate the currency and establish a parellel market.

[Gomez] Well, that is simply because negotiations were practically in the final stages. We are now working on the mechanics, the operational part involving the payment itself. Therefore, given that there will be a government transition in only 20 days, we have almost no time to wait for the operational part involving the payment to take place. That could happen tomorrow or in 10 days, or 20 days.

NEUTRALITY DECLARATION WITH NICARAGUA PROMOTED

PA081402 Panama City ACAN in Spanish 1843 GMT 7 Jan 86

[By Francisco Javier Mejia]

[Text] Tegucigalpa, 7 Jan (ACAN-EFE) -- A broad cross section of the Honduran Government and private interest groups are promoting a declaration of neutrality with Nicaragua in reaction to U.S. pressures for more aid to the anti-Sandinist rebel commandos. Diplomatic sources reported that the movement is attempting to establish the basis for more independence in Honduran foreign policy formulations during the next administration that will assume power on 27 January.

Honduran neutrality would imply an opening of relations with countries with which Honduras has only maintained sporadic commercial relations until now, and also a broader diplomacy with respect to regional concerns. According to the sources, initial contacts have been made with the Contadora Group member countries to ascertain that organization's response to the neutrality plan. The Contadora Group, made up of Mexico, Panama, Colombia, and Venezuela, is attempting to formalize a peace agreement for the area through the signing of a document, the terms of which have yet to be agreed upon.

The most likely nominee to be appointed foreign minister in the new administration appears to be Carlos Lopez Contreras, currently an adviser to that ministry. Lopez is a conservative and has experience in handling the border problem between Honduras and El Salvador.

The Honduran neutrality declaration would go beyond the expectations of Nicaragua's Sandinist regime, which on one occasion proposed the signing of a nonaggression pact between the two countries. Honduras rejected the idea, arguing that it had "no plans to attack anyone." The declaration would also imply a total break with the anti-Sandinist groups that operate on the Honduran-Nicaraguan border. During General Gustavo Alvarez Martinez' tenure as chief of the Honduran Armed Forces, the Honduran military cooperated with those groups. Alvarez Martinez was ousted after a barracks coup on 31 March 1984, giving way to officers less inclined to follow the dictates of U.S. policy in Central America.

The new Honduran strategy would tend to favor a more active trade exchange in the region because of the high production costs involved in keeping the quality standards the U.S. market -- Honduras' most important client -- demands. In addition, the United States imposes a quota on most of the items it purchases from Honduras. The plan would also allow the government led by Liberal Jose Simeon Azcona del Hoyo to invest in development program funds that otherwise would go into security.

Groups who have substantial economic leverage, including the coffee growers, who are the second highest producers of export revenue in the country, vehemently oppose the presence of anti-Sandinist commandos in the border area near Nicaragua because this is also a coffee-producing area, the yeilds of which have been seriously affected by the warlike atmosphere that pervades the area.

Meanwhile, the Suazo Cordova administration has broken its negotiations with the United States for a $50 million aid package and denounced the United States for attempting to condition its credit to a devaluation of the Honduran currency. This claim has garnered broad popular support for the government's position.

Azcona del Hoyo must therefore work to find alternative sources of financing in order not to yield to the U.S. pretensions. To do this he will have to put on a string much of the political pull that gave him an electoral victory on 24 November, the sources indicated.

NICARAGUA

BORGE ON STATE OF EMERGENCY, U.S. DIALOGUE

PM090851 Rome EL REPUBBLICA in Italian 7 Jan 86 p 10

[Interview with Nicaraguan Interior Minister Tomas Borge by Marco Cantarelli in Managua; date not given]

[Excerpt] Managua -- [Cantarelli] The war, the economic crisis and the struggle for survival, the Contadora crisis, the lack of prospects in the dialogue with the United States, the state of emergency. Before going into detail I would like to ask whether the restriction of political leeway in Nicaragua indicates a swing in the Sandinists' policy or whether it is what we might call a tactical stiffening pending better times.

[Borge] The state of emergency represents the legal recognition of a state of war. It does not represent a state of seige, or repression, or martial law, or attacks and killings in the streets, or tear gas bombs, or prisons full to the bursting point. There is a tendency to believe that a state of emergency implies brutal repression of the population. Any visitor to Nicaragua will realize that the state of emergency signifies not any kind of repression but a simple acknowledgement of the situation being experienced by our country, where thousands of men armed by the U.S. Government are fighting a war and planning to carry out sabotage and terrorist activities in the cities, murder revolutionary leaders, and conduct a campaign to disorient the people, precisely on the basis of economic constrictions stemming from the U.S. aggression.

[Cantarelli] So is it a turning point or just a stiffening?

[Borge] Neither. Simply an acknowledgment of a real situation in our country. The revolution has not altered its course. The blueprint of a mixed economy and political pluralism remains intact. In fact the state of emergency is designed to guarantee this political blueprint.

[Cantarelli] In September 1984 Nicaragua was the only Central American country to state its willingness to sign the peace treaty proposed by the Contadora group. Now it has virtually said "no" to the new draft submitted by the group. What are the obstacles? What does Nicaragua suggest?

[Borge] The September 1984 document we were willing to sign implied a number of restrictions for Nicaragua and at the same time for the United States and the other Central American countries. But Nicaragua's willingness to sign that document was not accompanied by similar decisions by other countries. The United States has always opposed signing the document. Subsequently, despite strong backing and the considerable authoritativeness gained internationally by Contadora, the pressures of the United States and the other Central American countries were so strong that the nature of the document was substantially altered. This is still under discussion. We have not refused to sign it.

We are proposing that it be altered in such a way that it can be accepted by all the Central American countries including Nicaragua, since we aspire not to a document that ratifies Nicaragua's surrender but to a document that will facilitate peace in Central America. What is the point of our signing a document if we then have to keep thousands of men under arms? What is the point of signing a document if the U.S. Government, via Congress, still decides to send aircraft, trucks, and other means of transport to the contras?

Above all, the new Contadora document is also challenged by other Central American governments, such as Honduras, Costa Rica, and even El Salvador, which has recently adopted a more militant attitude toward counterrevolutionary activities. Last, we are by no means sure that the Reagan government is willing to accept it, despite its advantages for the United States. A false impression has been created whereby the only country challenging the new Contadora document is supposedly Nicaragua. But the main obstacle to a Contadora agreement remains the United States.

[Cantarelli] What are the U.S. preconditions for a dialogue with Nicaragua and what do you propose? What could you discuss?

[Borge] There are many things to discuss, and I believe the most sensible thing would be to start discussions without preconditions. Even in drawing up an agenda, if the United States wants to discuss a point it must say so clearly and openly. Hitherto, U.S. proposals have been basically devoted to domestic political issues concerning our country: they have set as a precondition that we dissolve the National Assembly and hold new elections. This, as the first step. It is a really outrageous and senseless presumption.

[Cantarelli] Several Sandinist leaders have forecast the counterrevolution's "strategic decline." Pentagon officials seem worried about this. Is it a real prospect? Does this assessment not err on the side of over-confidence? If so, why raise another alarm by introducing a state of emergency?

[Borge] The counterrevolution's strategic plans have been neutralized. That is, its plan to occupy land and cities--to "liberate" them, as they put it--has failed. This does not mean that it has ceased to constitute a permanent tactical threat to our security in the various places where the counterrevolutionary forces are active. They are destroying much of our economy. They are unable to seize power but they can inflict huge damage on us. The state of emergency has to do with this. It is like a boxing match: When one of the two is on the point of being knocked out or is in rough shape, then the other launches a stronger attack to beat him once and for all. I do not want to be too confident or optimistic. I believe there will be war in Nicaragua for the next 2 years at least, if not longer. But our enemy's strategic plans have been defeated. The state of emergency is designed precisely to prevent this new balance of forces from being turned against the people's interests.

[Cantarelli] One of the aims of the emergency decree is to issue a message to the Catholic Church, especially to Cardinal Obando y Bravo. The Catholic hierarchy in turn accuses you of trying to carry out "religious persecution"....

[Borge] The state of emergency is not directed, as is claimed, mainly against Cardinal Obando y Bravo but is intended mainly to prevent the formation of a terrorist and also political and ideological internal front. This attempt also involves a rather reactionary sector of the Catholic Church that has used our people's religious feelings and the church's resources with the aim of spreading uncertainty and misinformation, and even of facilitating counterevolutionary recruitment among Christian sectors. So the state of emergency is not unconnected with the conflict with this kind of activity. In this connection it is also possible that there may have been some degree of inadvertence in proclaiming the state of emergency, that the decree may not have been couched in suitably propagandist terms, and indeed we have had to provide too many elucidations in this regard. This is partly because the first draft of the state of emergency decree laid down restrictions on which we were not agreed. Only after examining the spirit and letter of the law was the emergency decree issued with its present contents. However, exploiting this situation, rumors started to be spread cleverly by certain church and political sectors, according to which the revolution had forbidden religious activities, such as those celebrated every year in honor of the Virgin Mary. We were therefore forced to explain that it was a lie designed to confuse the public.

[Cantarelli] Some countries, political forces, friendly governments, and even governments not hostile to Nicaragua are worried about your country's situation and the measures that could cause you to stray from what has been called the Sandinist revolution's "original blueprint." Do you share this anxiety?

[Borge] Yes, I do, but I am more worried about the fact that people are not concerned about the aggression we are enduring. One is struck by the fact that people abroad are worried about the state of emergency in Nicaragua, which has not claimed a single life, involved a single tear gas bomb, or involved a single case of persecution. Yet they are not equally worried about the hundreds of casualties of the U.S. aggression. I believe that should be everyone's chief concern....

FLOW OF 'PRIVATE AID' TO CONTRAS TRACED

PA091649 Managua BARRICADA in Spanish 7 Jan 86 p 8

[By Fred Clarkson]

[Text] Washington -- The military supplies channel for the war against the Nicaraguan Government extends from the White House to this country. The contra army directed by the CIA is now also receiving training, supplies, and money from the White House tenants.

Even when Congress initially banned funds and the CIA leadership of the war, there was considerable evidence that this and other government agencies violated the law.

The network of "private aid" organized by far-right groups, the messages via television, and retired military and intelligence personnel have been structured into elaborate public relations schemes that package and present the idea of "freedom fighters" for domestic and foreign consumption.

In the center of this growing army of ideological vigilantes is the "World Anticommunist League" (LAM) headed by Major General John Singlaub, retired.

The Fascist International

Considered the fascist international, LAM was founded 18 years ago and is composed of conservative and fascist groups from approximately 100 countries. Singlaub said LAM has collected between $20 and $30 million in cash and "nonlethal" supplies for the contras.

Headed by Singlaub, the group was formed by experts in special operations, including the "gray eminence" of the dirty groups, General Edward Lansdale, retired. The group was also formed by Harry (Heinie) Aderholt of the air command association and Andy Messing, an activist of the "new right" from the National Defense Council.

By mid-1984, the official ban on aid to the contras gave rise to an increased flow of "private" aid in money, supplies, and, to some extent, training for them. White House officials selected Singlaub as the main fund collector for the "contras," and he was advised on how to structure the campaign within the limits of the neutrality document and other laws that prevent U.S. citizens from supporting wars abroad.

In addition to this, it has been reported that President Reagan approved the secret plan to replace CIA funds with aid from citizens of the United States and its allies. The main contributors are South Korea, Taiwan, and Israel. The contributions of the first two came from private business funds and an anticommunist organization that has close ties to the government.

Wheeler's Shadow

The organization in question is the LAM, which was founded by the South Korean and Taiwanese Governments at a conference held in Taiwan in 1977, and was a broadening of its regional predecessor ASIAM [not further identified] created after the Korean war (1950-1953) and the Chinese revolution (1949).

The LAM's agenda is not limited to the "contras." Its annual conference in September 1985, which was held in Dallas, Texas, was an all-out public relations effort and the center of tricks to collect funds for at least six other counterrevolutionary forces: Afghanistan, Angola, Mozambique, Ethiopia, Nicaragua, and Southeast Asia. The main topic at the meeting was "counteroffensive for the World's Liberation." Approximately 400 delegates and observers from all of the continents discussed how to support anti-communist uprisings and develop an increasing agenda.

The concept of "freedom fighters" as an organizational principle emerged basically from the work of Jack Wheeler, a publicist and former Rand Corporation adviser. Wheeler was responsible for a conclave of four groups held last June in Damba, Angola. According to the Citizens for North America (CPN) organization, a network headed by New York-based businessman and politician Lew Lehrman, their manifest objective is to promote Reagan's legislative program, especially the points regarding Central America.

Wheeler's activist approach complements Singlaub's efforts to promote a new image for LAM: not only anti-communist, but also anti-totalitarian and "pro-liberty."

Last year Singlaub was forced to part with many of his Latin American affiliates after newsman Jack Anderson published that they were controlled by a group of sympathizers from the World War II Nazi era called "the Tecos" ["Los Tecos"], whose members are linked to death squads trained in Argentina, Guatemala, and Honduras.

The "Tecos" Fascists

Investigators have discovered that even though "the Tecos" were expelled, the rest of the network was changed and included in the LAM.

Historically, this organization has been an international network of anti-Zionist fascists and extremist politicians. Nevertheless, Ronald Reagan has not refrained from establishing ties with the group and supporting it. In 1982, for example, the White House studied whether it should send -- and it did -- a greeting to the LAM meeting in Tokyo. The LAM has been hesitant in approaching Taiwan, and China could be offended by Reagan's message.

Reagan also sent an affectionate greeting to the meeting in Dallas that was greatly applauded when Singlaub read it. The note praised "the mechanisms of peaceful change through popular pressures exerted under conditions of human rights." Reagan's irony did not escape many newsmen.

ORTEGA, CSSR CULTURE MINISTER MEET 9 JANUARY

PA092142 Managua Radio Sandino in Spanish 1750 GMT 9 Jan 86

[Text] President, Commander of the Revolution Daniel Ortega Saavedra met a few minutes ago with Czechoslovak Socialist Republic Culture Minister Milan Klusak. The meeting was held at the presidential house and Mr Klusak conveyed to Commander Ortega greetings of solidarity from the Czechoslovak people and Government to the Sandinist revolutionary process and the struggle being waged by the Nicaraguan people to defend their achievements against the imperialist aggression.

During his brief visit to the country, Mr Klusak will meet with Foreign Minister Father Miguel D'Escoto Brockman and culture sector workers. He will also broaden the collaboration agreement which currently prevails between the Nicaraguan and Czech culture ministers.

ARDE COMMANDERS VIEW AGREEMENT WITH FDN

PA091926 San Jose Radio Reloj in Spanish 1200 GMT 9 Jan 86

[Text] Franklin, Leonel, Ganso, Navegante, and Oscar, regional commanders of the Democratic Revolutionary Alliance [ARDE], have described the agreement for unity with the FDN [Nicaraguan Democratic Force] as a result of the policy outlined by the ARDE leadership. They indicated that the agreement among the combatants is within the idea of a unity of action of all counterrevolutionaries to overthrow the FSLN. The agreement between the ARDE and FDN revolutionaries that was signed 2 months ago is in effect for the Chontales and Zelaya regions.

The commanders who signed the agreement with the FDN issued a call to the Nicaraguan Opposition Unity [UNO] to interpret the feelings for unity and resume the talks it unilaterally suspended with the Southern Opposition Bloc [BOS].

Only the patriotic unity of all Nicaraguan democrats, without any exceptions, in supporting a national democratic agreement will guarantee the people's victory over communism, Commanders Ganso, Leonel, Franklin, Oscar, and Navegante stressed.

LIQUOR, CIGARETTE PRICE INCREASES ANNOUNCED

PA091857 Paris AFP in Spanish 1659 GMT 9 Jan 86

[Text] Managua, 9 Jan (AFP) -- The Sandinist government today authorized increases ranging between 25 and 100 percent in the prices of cigarettes, liquors, and alcohol, which are regarded as "nonbasic" products. These increases come about a mere 9 days after the implementation of an increase in the wage scale ranging between 58 and 100 percent.

For his part, the domestic trade minister announced this week a "war against price gouging" to punish those merchants who raise the prices of staples without official authorization. The Sandinist government announced that for the time being there will be no increases in the prices of staples, noting that the wage increase announced in January must be paid for by employers.

DIRECT AERONICA FLIGHTS TO MIAMI TO BEGIN 1 FEB

PA100135 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 9 Jan 86

[Text] A commercial agreement between the Nicaraguan airline Aeronica and the Costa Rican airline Lacsa will be in force beginning 1 February. The agreement provides for direct flights between Managua and Miami. A similar agreement with Air Panama will be cancelled on 31 January because of the inconvenience for passengers of two stopovers enroute. Lacsa's flights will make it possible for the passengers to fly direct to Miami.

[Begin recording by airline official Roca] Passengers bound for Miami will board their plane in Managua and make the necessary connection with Lacsa in San Jose. Passengers will leave Managua at 0630, arrive in San Jose at 0710, board the Lacsa flight at 0800, and arrive in Miami at 1130. On their return flight, passengers will be able to arrive in Managua by 1730. Both in the Managua-Miami and the Miami-Managua trips, passengers will have their luggage checked to the final destination, either Miami or Managua. In other words, passengers will not have to pick up their luggage during their intermediate stops. [end recording]

As an introductory fare of this new service, passengers will be charged $380 in February. The normal rate is $420. No reservation limitations will be imposed as passengers will be able to fly on Mondays, Wednesdays, Fridays, and Sundays.

Roca also said that there is a great demand for flights to the Atlantic coast which the airline cannot cover. Efforts are being made to purchase new aircraft. A lack of trained personnel and the aggression also affect air travel to the coast. Despite all the difficulties, flights have continued.

U.S. REGIONAL ECONOMIC POLICY, HAUGHTINESS REBUKED

PA100007 Havana International Service in Spanish 2310 GMT 8 Jan 86

["Our America" ommentary]

[Text] Washington's violent reaction to Peru's most recent economic decisions, including the suspension of operations by the U.S. company Belco Petroleum in Peru, are evidence of the haughty attitude the United States has adopted in the face of the crisis affecting our peoples. Ronald Reagan and his team think it is inadmissible for a Latin American government to exercise its sovereign will to defend the nation's interests; they then react with such dirty blows as suspending sugar quotas and enforcing trade restrictions in addition to those already prevailing in our geographic area.

The positive aspect of these extremely haughty reactions is the fact that they show the true face of the main creditor of Latin America and the deceitful nature of its promises concerning the solution of the economic crisis affecting us, particularly a foreign debt amounting to over $370 billion. The stale Baker Plan that Washington is trying to offer as the divine solution to the regional debt problem is merely an inadequate band-aid. This is confirmed by the nearly unanimous rejection of it by the peoples and governments of the hemisphere. This was voiced in the last months of 1985 during the meetings of the Andean Parliament and the Cartagena Accord, which not only criticized the inadequate and vague plan, but also advocated the unity of all the peoples in the area for truly solving the heavy debt burdening the hemisphere.

Washington's selfish policy was also strongly rejected by SELA, the Latin American Economic System, which charged in its magazine, CAPITULOS, that the U.S. economy bases its recent weak growth on high interest rates, high fiscal deficits, overvaluation of the dollar, and growing protectionism, which is worsening the crisis throughout the world.

The balance of 1985 was very bad for Latin American nations. Norberto Gonzalez, executive secretary of ECLA, the Economic Commission for Latin America, has confirmed that the regional debt has grown to $370 billion, $10 billion over the most recently documented figure. Gonzalez added that the overall per capita product of all the Latin American countries only amounted to 0.5 percent last year and consumer prices rose 610 percent, something an average citizen cannot tolerate. [sentence as heard] This crisis, which Washington is trying to ignore or react to with violence, resulted in a British magazine, NEW STATEMENT, saying that 1986 might be the year the Third World refuses to pay its huge foreign debt.

The signs noted in Latin America in the face of the repeated lack of understanding by the White House seem to confirm this theory. The threatening language and haughty attitude are not the factors that might silence the just demands of millions of human beings who are hungry and doomed to permanent poverty.

ECONOMIC BOYCOTT OF LIBYA REJECTED BY EEC

FL091432 Havana Radio Progreso Network in Spanish 1200 GMT 9 Jan 86

[Station commentary]

[Text] During the last few hours, the Reagan administration has continued its economic reprisals against Libya.

The Reagan administration has also continued its dissemination of fabrications about the Tripoli government; but it has not been able to achieve one of its principal goals -- integration of the West European governments in the anti-Libyan crusade. The allies of Washington have turned a deaf ear to the insistent words of the White House spokesmen concerning what they describe as the critical importance of European cooperation in sanctions against Libya.

Almost all the member-nations of the EEC have communicated their decision not to apply economic blockade measures to Libya. Only the British Government has expressed support for the U.S. decision, but it has been reported that London will limit itself to not taking any steps that might interfere with the U.S. measures. Italy, the industralized country with the greatest trade with Libya, hastened to state that it will not unilaterally second Reagan's pressures. France, Spain, Portugal, and the FRG, to which countries Libya supplies more than 14 percent of their crude oil imports, have taken similar positions. The Dutch Ministry of Foreign Affairs has announced its total opposition to military intervention and sanctions against Libya. Sectors of all these countries have coincided in stating that the United States has been unable to present proof of alleged Libyan participation in terrorist actions.

This lack of proof became clear on Tuesday, when Reagan had to make excuses to the press because he could not present proof against Libya. On 8 January the White House published a new report on purported terrorist activities of the Libyan Government but once again -- as was immediately observed -- without giving proof of the allegations. But this is precisely what is being demonstrated in the Reagan administration's anti-Libyan campaign: the lack of proof that would justify its economical reprisal actions, its pressure on third countries, and its reiterated threats of military aggression.

ECONOMIC AGREEMENT WITH HUNGARY; MARJAI DEPARTS

FL100240 Havana Television Service in Spanish 0100 GMT 10 Jan 86

[Text] Jozsef Marjai, deputy premier of the Hungarian Council of Ministers, has departed Cuba to return to his country after participating in the 14th session of the joint intergovernmental Cuban-Hungarian Commission for Economic and Scientific-Technical Cooperation. Jose R Fernandez, vice president of the Council of Ministers, was at the Jose Marti International Airport to say farewell to the Hungarian leader and the high-level delegation accompanying him.

Shortly before the departure, Fernandez and Marjai published the final protocol of the 14th session of economic talks. The execution of credit agreements in general, which Cuba and Hungary had signed for the 5-year period that just ended, were considered to be positive. They also analyzed joint work in traditional areas as well as their perspectives and the inclusion of new areas of cooperation, such as in construction, with the immediate possibility that Cuba will send a group of construction workers to build homes in Hungary. Other areas being considered are tourism and computerization.

ECUADORAN PARLIAMENTARY DELEGATION ARRIVES

FL100214 Havana Radio Rebelde Network in Spanish 0000 GMT 10 Jan 86

[Excerpt] A delegation from the Republic of Ecuador's Congress arrived in Cuba this afternoon. Flavio Bravo Pardo, president of the National Assembly of the people's government, greeted the delegation at the Jose Marti International Airport.

Moments after greeting him, Mr Averroes Bucarem, president of the Ecuadoran Congress and who also heads the delegation, told Radio Rebelde:

[Begin recording] We think that not only friendship between the peoples should exist, but also dialogue, exchange of ideas, and assimilation of experiences. [end recording]

NEW TRADE PROTOCOL SIGNED WITH NICARAGUA

FL091607 Havana Radio Reloj Network in Spanish 1510 GMT 9 Jan 86

[Text] A trade protocol between Cuba and the fraternal Republic of Nicaragua has been signed at the Foreign Trade Ministry in Havana. This is the fourth protocol signed by the two countries since 1983 and provides for a wide bilateral exchange of industrial, agricultural, and consumer goods.

PERUVIAN GOVERNMENT DELEGATION BEGINS VISIT

PA091803 Havana International Service in Quechua 2200 GMT 31 Dec 85

[Text] Armando Villanueva, Peruvian senator and APRA [American Popular Revolutionary Alliance] secretary general, sent Fidel Castro and the Cuban people a greeting on the occasion of the New Year. In his message, Villanueva states that for many years the Peruvian and Cuban peoples have enjoyed a great friendship and that the two countries are anti-imperialist and work for the people. The message also expresses the hopes that in 1986 that friendship will strengthen for the good of the two peoples.

The Peruvian delegation will visit several industrial centers and places of interest in Cuba. The delegation has already visited the City Museum. During the visit to the museum the delegation was accompanied by Jose Ramon Fernandez, Cuban minister of education. The Peruvian delegation is formed by several ministers and advisers of Alan Garcia's government.

U.S. SHIP FIRES ON SALVADORAN REBEL POSITIONS

PA092007 Havana International Service in Spanish 1800 GMT 9 Jan 86

[Text] Radio Venceremos, official voice for the FMLN, reported that on Wednesday a U.S. warship attacked rebel units fighting against the Salvadoran Army troops in Usulutan Department. Radio Venceremos added that the U.S. ship fired at least three howitzers against rebel positions; however, no casualties were inflicted.

During skirmishes that occurred prior to the ship's attack, the rebels killed two and wounded one of the government troops. This is the first time since the war actions began in El Salvador that U.S. military forces have directly intervened in the conflict. The incident violates the U.S. law that forbids war actions without the authorization of the government.

BAHAMAS

CUBAN FISHERMEN ARRESTED FOR 'POACHING'

FL092155 Nassau THE TRIBUNE in English 30 Dec 85 p 1

[Text] The arrest of 22 Cubans, charged with poaching, by a defence force vessel in the Ragged Island chain last Monday has again focused attention on the "delicate" balance between the Bahamas and Cuban Governments over territorial waters.

It is understood that the arrests have caused the Bahamas Government such "concern" that the matter was given priority and dealt with urgently before the magistrate's court on Thursday, a public holiday, for "government and diplomatic reasons." It is understood that representatives from the Ministry of Foreign Affairs have had "direct contact" with officials in Cuba since the arrests were made and, as someone close to the situation put it -- the "dogs have been called off."

Unconfirmed reports are that the defence force vessel HMBS Montagu, under the command of Lt Roger Rolle, was "buzzed" by two aircraft while the arrests were being made. Mr George Stewart, under secretary with the Ministry of Foreign Affairs today refused to confirm or deny reports that the defence force vessel had been "buzzed" by the aircraft. He referred THE TRIBUNE to the defence force. However Commander Leon Smith was not available for comment today.

Mr Stewart also denied that any "negotiations" were going on between the two governments. He said that when any foreign fishermen are arrested it is normal procedure for the respective governments to be notified. He refused to comment on why this matter necessitated calling a magistrate's court into session on the Boxing Day public holiday. When asked if he considered this particular matter a delicate one, Mr Stewart said it is "always a delicate matter when we are dealing with foreign fishermen."

The Cubans are charged with being in Bahamian waters at the time of arrest.

On May 12, 1980 the defence force vessel HMBS Famingo was fired on and sunk by Cuban military aircraft using rockets and machine guns one and a half miles south of Cay Santo Domingo, within the undisputed territorial waters of the Bahamas. Four Bahamian crewmen were killed in the attack. The Bahamas Government, at the time, held Cuba responsible for the "illegal and unprovoked attack."

In this recent incident it was reported that HMBS Montagu was patrolling Bahamian waters near Cay Verde, in the Ragged Island chain, when they spotted four wooden Cuban fishing boats. It is understood that a large quantity of scale fish were found onboard the boats. The arrests were made on Monday, December 23.

Magistrate Cleopatra Christie and prosecutor Richard Gardiner were called from home to deal with the case in court 5 at about 1 pm Thursday.

The 22 Cubans were each granted bail of $5,000 and are expected to return to court on January 8. They were represented by attorney Janel Bostwick. Mrs Bostwick was not in office today, but her husband Henry Bostwick, when contacted refused to comment on the matter, However he did confirm that his firm was representing the Cubans.

The four fishing vessels are docked at the fish landing complex at Potters Cay. The Cubans are living on board.

THE TRIBUNE visited the boats this morning, and, with the help of an interpreter spoke with the captain of the boast. He was asked whether they were told by the courts if they could leave the compound of the fishing complex at all. The captain wanted to know why the newspaper was interested in that information and refused to answer. There was no police or defence force guard in sight and the Cubans were walking about the area freely.

The captain was also asked whether he saw or heard any aircraft buzzing the defence force vessel while they were being arrested. He said that "all the information" was given to the police. The captain said that, according to information he received from their lawyer, the Cuban Government was talking with the Bahamas Government on their behalf.

It was the arrest of eight Cuban fisherman in May, 1980 which triggered the military attack on HMBS Flamingo. According to a statement by the Bahamas Government issued on May 12, 1980 the defence force vessel was towing two Cuban fishing boats, suspected of poaching in Bahamian waters when they were attacked by a number of Cuban MiG's.

Cuban MiG Overflight Described

FL092254 Nassau THE TRIBUNE in English 3 Jan 86 p 1

[Excerpts] On December 23, two days before Christmas, defence force marines aboard HMBS Montagu feared for their lives as their vessel was buzzed about four times by a Cuban MiG aircraft, while another hovered overhead, ready for attack. It is understood that the Cuban fighter flew so low over the vessel that the Bahamian Marines were able to see the angry look on the pilots' faces.

Minutes before the MiG's arrived on the scene the Montagu had spotted and given chase to six Cuban fishing vessels. They had apprehended four of the boats, along with 22 Cubans, charged with poaching.

On that hot Monday afternoon HMBS Montagu, under the command of Lt Roger Rolle, was on routine patrol in Bahamian waters in the Ragged Island chain, near Cay Verde. They spotted the Cuban boats in Bahamian waters and gave chase. The Montagu was only able to apprehend four of the six vessels before they reached international waters. Two of the vessels had escaped.

While giving chase, men onboard the Montagu became aware that the fishing boats were using their radio communication equipment and had made contact with Cuba, asking for assistance.

Shortly after the Bahamian Marines had successfully rounded up the fishing vessels and taken them in tow, the sounds of approaching aircraft were heard overhead. As the men aboard HMBS Montagu sat "like sitting ducks" waiting for the first onslaught of gunfire the MiG fighter continued to buzz the aircraft. The men were able to see the pilot's face and identify each of the many rockets and bombs carried beneath the aircraft, THE TRIBUNE was told.

The second fighter stayed well overhead. The men were only able to see the shadow of the aircraft on the sea and the sunlight reflected on its silver paint, casting a shadow on the water. After the low-flying MiG buzzed the vessel four times, each time coming from a different direction, it joined the second aircraft and they both flew away, heading towards Cuba.

DOMINICA

MINISTER NEGATIVE ON SOVIET TRADE UNION RELATIONS

FL100001 Bridgetown CANA in English 2351 GMT 9 Jan 86

[Text] Roseau, Dominica, Jan 9, CANA -- Dominica's Attorney General and Labour Minister Brian Alleyne has complained of a subversive and destructive growth of fraternal relations between some Dominican and Soviet trade unions. Such relationships should not be tolerated in Dominica, Alleyne told a trade union seminar. He said unions in Soviet bloc countries were undemocratic because of their domination by the state, which was itself undemocratic. He did not identify the unions involved, but said he was disturbed that certain Dominican trade unions were trying to learn from those in the Soviet bloc to move away from the island's democratic norms.

He urged local unions to strive for the establishment of a social order based on the unity of all peoples in freedom and equality and the common utilisation of world resources. He said they should also get involved in the promotion of international solidarity, and the fight against social and economic exploitation at every level. The seminar Alleyne addressed dealt with changes in the bank industry and its repercussions on bank workers. Sponsors included the local Waterfront and Allied Workers Union (WAWU).

GRENADA

MORE CHARGES OF ILLEGAL MILITARY TRAINING FILED

FL091945 Bridgetown CANA in English 1928 GMT 9 Jan 86

[Text] St Georges, Grenada, Jan 9, CANA -- Grenada police charged four more people today with conducting illegal military training exercises but a magistrate indicated there was no cause for worry. The four -- Kennedy Samuel, Clarence Wells, Eric Bertrand and Franklyn Noel appeared along with nine others before senior Magistrate Lyle St Paul in an unusually packed St Georges court house. St Paul described the charge as a simple misdemeanour which he felt should not cause much anxiety among the population.

Rumours of coup plots have spread through the country since the arrests for an alleged incident on December 8.

The police also searched the home of former Agriculture Minister George Louison on Tuesday and questioned him for three hours in what the leftist opposition alleged was an attempt to link him with the arrests.

Six of the youths, Leon Vincent, Christopher Jones, Andre Lewis, Finton Joseph, Errol Robertson and Terrance Alexander were arrested Christmas Eve while three others, Denzil Walcott and cousins Leslie and Allan Francique were taken into custody last Sunday.

The magistrate announced that he would start a preliminary inquiry into the charge from January 21 to determine whether a case could be made out against the youths for a high court trial. The maximum penalty for the charge is imprisonment of two years. Acting Director of Public Prosecutions Jamaican Queen's Counsel Velma Hylton said that the police are continuing their investigations into the matter and other persons are still to be apprehended. Bail for the youths who are all from rural areas in Grenada was set in the sum of 5,000 dollars (one EC dollar; 37 U.S. cents) each.

Hylton requested that the passports of the 13 be confiscated because one of the persons being sought by the police had slipped out of the country. The magistrate ruled that there was no law giving him authority to act in this manner.

Defense lawyer Delano Harrison of Jamaica who is appearing with local attorney Robert Grant for the six of the defendants told the court that the charge laid is insubstantial and arose out of the support given by the youths in their residents for imprisoned trade unionist Chester Humphrey. [as received] Humphrey went on a hunger strike to protest his pending extradition to the U.S. to face gun-running charges. The case is now before the appeals court.

Harrison who is a member of the defense team in the much-delayed Maurice Bishop murder trial also complained to the court of a report recently carried by a local newspaper trying to implicate the youths with a plot to overthrow the Herbert Blaize administration.

St Paul said that the laws governing reporters conduct during preliminary inquiries were clear and warned those bent on committing breaches.

HAITI

SECURITY FORCES OCCUPY CITIES; MASS ARRESTS

PA091957 Madrid EFE in Spanish 1912 GMT 9 Jan 86

[Text] Port-au-Prince, 9 Jan (EFE) -- The Haitian security forces today occupied several cities and conducted mass arrests in response to protest demonstrations against Jean-Claude Duvalier's regime. The cities of Petit Goave, Miragoane, Gonaives, Jeremie, and Cayes were occupied by the police at daybreak in a further attempt by the government to curb the demonstrations that have been taking place in several areas in the country since November.

In November, Army soldiers killed three teenagers who protested against poverty and demanded social and economic improvements at their schools.

Today, 15 people were wounded in Jeremie including a 13-year-old boy.

There have been reports of many arrests in other cities and of beatings of demonstators who shouted slogans against the government.

In a telephone interview with EFE, Fataher F. Goin of Miragoane described police treatment of the demonstrators as "brutal."

The Catholic radio station Radio Soleil is the only medium that is reporting on the demonstrations via communications between priests in the cities.

The police have used their firearms to quell protests in all places where demonstrations have been staged since last weekend.

Gonaives, which has become the hub of the unrest since November and where a person was killed and three others were wounded by shots fired by the police on Monday, has been completely occupied by the security forces and the authorities have banned the circulation of individuals.

Calm returned yesterday to Port-au-Prince, the Haitian capital, amid rumors that mass arrests would be made.

The protests began in November, when approximately 1,000 people demonstrated in Gonaives over the murder of 3 youths by the Army.

This is the first popular uprising faced in 15 years of rule by "Baby Doc" Duvalier, who assumed power after the death of his father, Francois "Papa Doc" Duvalier, in 1971. Sources close to the government have told EFE that some members of the regime have suggested to the president that he consider other options to his lifetime mandate.

Troops Disperse Protesters

FL091526 Bonaire Trans World Radio in English 1130 GMT 9 Jan 86

[Text] In Haiti, troops fired into the air yesterday to disperse hundreds of protesters in the latest wave of antigovernment demonstrations that have claimed at least five lives in the past 6 weeks. The Catholic radio station Radio Soleil also reported that troops arrested about 50 people during the protests in a town about 60 miles southwest of Port-au-Prince.

Meantime, the continuing unrest has forced President Jean-Claude Duvalier to lower prices on some basic necessities as a means of restoring order. The 5 percent price cuts announced by President Duvalier apply, among other things to motor fuel and edible oils. The unrest began on November 28th, when Haitian security forces shot and killed three students in the town of Gonaives.

UNREST 'COULD COST' REGIME $50 MILLION U.S. LOAN

FL091543 Hilversum International Service in English 1030 GMT 9 Jan 86

[Text] Continuing unrest in Haiti. The poorest country in the Western hemisphere, has forced President Jean-Claude Duvalier to lower prices of some basic necessities as a means of restoring order.

The unrest began at the end of November, after three students were shot dead by police. At least fourteen more people have been killed since that time and actions by the police [word indistinct] in Haiti. The actions could cost the island's dictatorial regime the loss of an American loan of about $50 million. The five percent price cut announced by President Duvalier apply among other things to motor fuel and edible oil.

NETHERLANDS ANTILLES

NEW CABINET APPOINTMENTS, PROSPECTS VIEWED

PM090919 Rotterdam NRC HANDELSBLAD in Dutch 31 Dec 85 pp 1, 3

[Frans Kok dispatch: "Dom Martina Prime Minister in Netherlands Antilles Cabinet"]

[Text] Willemstad, 31 Dec -- Dom Martina, the leader of the Curacao New Antilles Movement party, is the new prime minister of the Netherlands Antilles. He succeeds Mrs Maria Liberia Peters, who, despite winning the election at the end of November, must now move to the opposition benches as a result of agreements between the seven other parties. On Aruba, Mr Henny Eaman becomes prime minister and will be sworn in as a government head tomorrow.

Yesterday the seven parties in the Antilles reached agreement on the distribution of ministerial posts. In addition to the premiership for Martina, the socialist New Antilles Movement also fills economic affairs Marco de Castro , and social affairs and constitutional restructuring Winston Lourens. Leo Chance of Sint Maarten's Democratic Party becomes deputy prime minister. Leslie Navarro and Frank Rozendal, both of Curacao's Democratic Party, occupy the Finance and Health Ministries respectively. Boy Hernandez becomes minister plenipotentiary in The Hague.

Papa Godett's Frente Obrero did not win a seat in the cabinet. The party preferred a government post on Curacao where according to political custom a power handover will also take place and where Mrs Peters' Christian democrat PNP [People's National Party] will move into opposition.

Sint Maarten's strong man, Claude Wathey, who as joint mediator had a large share in the formation of the new cabinet, is not, himself, a minister. However, all observers are agreed that he will to a signficant extent determine the future policy of the Antilles. Mrs Peters yesterday said that she even fears that all the other parties, especially those of Curacao, will have to accept the yoke of Wathey and the Windward Islands and that the new ministerial team will be "the government of concessions."

It was Wathey who primarily was critical of the additional 10 percent income tax, a crisis levy, of Mrs Peters. This levy will now disappear and will be replaced by other levies, including levies on import rights, which do not exist on the island of Sint Maarten.

The main reason why all the other parties were determined to put an end to the dominance of the PNP was that despite the poor economic situation the party continued with the appointment of numerous political allies to civil service posts and with the setting up, under the leadership of the PNP's second-in-command, Georg Hueck, of dubious financial projects at island level.

On Aruba, which tonight becomes an independent part of the Kingdom of the Netherlands, the formation of the new government has been completed. As expected, Mr Henny Eaman of the Aruban People's Party becomes prime minister. Tomorrow, after the ceremonial meeting of Aruba's first parliament, he will be sworn in as government head. Betico Croes, the great champion of a separate status for Aruba, becomes leader of the opposition after losing his absolute majority at the election at the end of November last year and after the formation of a coalition by all the other parties kept him out of government (just like Mrs Peters in the other five Antilles).

TRINIDAD AND TOBAGO

ANALYSTS PREDICT EARLY ELECTIONS POSSIBLE

FL091952 Bridgetown CANA in English 1624 GMT 9 Jan 86

[Text] Port-of-Spain, Trinidad, Jan 9, CANA -- Prime Minister George Chambers takes to the hustings again next Tuesday, when he resumes his Meet the People Tour across Trinidad and Tobago in the run-up to forthcoming general elections. Political sources said the final leg of the tour will culminate with the holding of the annual convention of the ruling People's National Movement (PNM) on March 30, fifth anniversary of the death of PNM founder and former Prime Minister Dr Eric Williams.

Analysts say the convention will be used to launch the party's campaign for the next poll, constitutionally a little over a year away but which some analysts predict could come this year. The PNM, which has seen a slip in its popularity in the last four years, is expected to face its biggest challenge in the election from a combined opposition unit called the National Alliance for Reconstruction (NAR). The PNM has been in power for close to 30 years.

OPPOSITION PARTIES FORM 'PATRIOTIC COALITION'

FL100014 Bridgetown CANA in English 2354 GMT 9 Jan 86

[Text] Georgetown, Jan 9, CANA - Five political parties, which protested the outcome of last month's general elections, have announced the formation of the Patriotic Coalition for Democracy (PCD).

Leader of the Marxist Peoples Progressive Party (PPP) Dr Cheddi Jagan said the parties will combine the will and the resources of all the democratic forces in the country in order to ensure that the elective principle is not abolished forever and to restore democracy to Guyana at the earliest possible moment.

The parties, which have said they want to bring down the government, are the PPP, the Democratic Labour Party (DLP), the National Democratic Front (NDP), the People Democratic Movement (PDM) and the Working Peoples Alliance (WPA).

Jagan said the main objective of the coalition is to struggle for the defence of civil and political rights and freedoms as stated in the Constitution of Guyana.

Organisations representing religious, cultural, trade union, business, and civic interests are being invited to associate with the coalition.

The elections returned the Peoples National Congress to power with 42 of the 53 seats. The PPP was allocated eight, the United Front, the only opposition party not to question the results two; and the WPA, one.

Jagan said the grouping will struggle for the observance by Guyana of genuine and periodic elections, supervised and administered both at national and local government levels by an independent elections commission which directs and administers the registration of electors. The coalition will support the recommendations for a Caribbean human rights covenant or its equivalent.

The PCD in a public appeal to Guyanese and Caribbean nationals said that Guyana is in grave peril and said it worried about the confirmed determination of the Peoples National Congress (PNC) to remain in power indefinitely in defiance of the will of the overwhelming majority of the population.

Unless we, the majority, struggle to regain our right to elect a popular government and introduce democracy for all, Guyanese will find ourselves a people dispossessed in our own land, the deputy leader of the National Democratic Front, J E Lila told reporters.

The coalition thanked fellow citizens of the wide Caribbean to whom we are bound by many ties, for their expressions of solidarity for the cause of right and righteousness and urged them not to relent in their efforts to bring about change in Guyana.

Jagan told journalists that the PCD will comprise an assembly and a Council of Guidance but it was not immediately clear precisely how they will work to advance the cause of the group. The assembly will comprise representatives of member organisations, other interest groups desiring representation, and individuals of approved democratic credentials who register as members.

The Council of Guidance will comprise representatives of the founding organisations, social organisations, observers, resource persons, and representatives of other interest groups.

It will be the public voice of the coalition and will consult with and report to the assembly. The parties met today to establish the Council of Guidance.

RELATIONS TENSE BETWEEN UNION, SUGAR COMPANY

FL092020 Bridgetown CANA in English 1724 GMT 9 Jan 86

[Text] Georgetown, Jan 9, CANA -- A powerful opposition-controlled Guyana labour union has reported tense relations with the state-run sugar company over allegations that it had broken a 1976 collective agreement with the company. THE MIRROR newspaper, organ of the Marxist People's Progressive Party (PPP), said a big controversy was raging over the issue which sprung from a two-day unofficial strike in the sugar industry last month.

The Guyana Sugar Corporation (Guysuco) accused the PPP-Aligned Guyana Agricultural and General Workers Union (GAWU) of breaching the contract by not giving prior notice of industrial action. According to THE MIRROR, GAWU replied that the workers had struck spontaneously, saying that the corporation was politically motivated in making the charge without discussing the matter.

The strike occurred days after PPP leader and GAWU's honorary president Dr Cheddi Jagan threatened strikes and demonstrations to support his allegations of fraud in the December 9 general elections.

THE MIRROR said that on December 9, Guysuco wrote the union saying that it was suspending all relations, but GAWU said this itself was a breach of contract and ought to be discussed. The paper added that on January 2, Guysuco said it was resuming relations with GAWU but insisted that the collective agreement had been broken by the union last month.

Guysuco has evaded the issue of a meeting and GAWU intends to pursue the matter until a settlement is reached, THE MIRROR said.

Meanwhile, the paper reported that the police had ruled out poisoning in the case of 78 workers who complained of feeling ill after drinking water on a sugar estate during the strike.

It quoted assistant police commissioner, Cecil Roberts, as saying that an initial test had indicated that the water was not poisoned.